

PROPERTY LEASE AGREEMENT

Dated: November 1, 2022

This Property Lease Agreement ("Lease") is made and entered into by and between Gary T. Baker, as trustee for the Gary Baker Revocable Trust, hereinafter termed "Lessor", and Yamhill County, a political subdivision of the State of Oregon, acting by and through the Yamhill County Sheriff's Office, hereinafter termed "Lessee".

TERMS

- I. PROPERTY LEASE** - Lessor leases to Lessee and Lessee leases from Lessor the following described real property and improvements located thereon, hereinafter referred to as "Property":

Storage/Garage units #1, #2 and #3 located at 712 E. 14th Street, Newberg, Oregon.
The Property shall not be used for storing any hazardous material or property.

II. TERM/RENEWAL/NOTICE

- A. **TERM.** The initial term of this Lease shall be from November 1, 2022, to October 31, 2024 ("Initial Term").
- B. **RENEWAL.** Unless Lessee provides at least thirty (30) days' advance written notice to Lessor prior to the expiration of the Initial Term of their intention to terminate this Lease, this Lease shall automatically renew for a period of two (2) years ("Renewal Term"). The Renewal Term of this Lease shall be from November 1, 2024, through October 31, 2026.

III. RENT

- A. **RENTAL RATE.** The rental rate for the Initial Term shall be \$9,900 annually ("Rental Rate"). Lessee shall pay the Rental Rate in one annual installment on or before the first day of each 12-month period during the Initial Term.
- B. **RENEWAL RENTAL RATE.** The rental rate for the Renewal Term will be \$10,500 annually ("Renewal Rental Rate"). Lessee shall pay the Renewal Rental Rate in one annual installment on or before the first day of each 12-month period during the Renewal Term.
- C. **UTILITIES** - Lessee shall be responsible for payment of the monthly electric bill and monthly water bills applicable to the Property, which shall be made directly to the applicable utility provider. Lessor agrees to assist Lessee in arranging for these payments with the utility providers.

IV. INSURANCE AND INDEMNITY

- A. **INDEMNITY.** Subject to Article XI, Section 10 of the Oregon Constitution and the Oregon Tort Claims Act, Lessee shall, and does hereby, by its own assets and insurance, indemnify and hold Lessor harmless from any and all claims for personal injury, death and property damage, and any injury suits, actions or claims which may accrue to any person, firm or corporation by reason of any injury or damage suffered by reason of any act or omission to act, of Lessee occurring upon the Property, as the result of Lessee's occupation and/or use of the Property or any business

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conducted thereon, or any breach of this Lease, except to the extent caused, in whole or in part, by the gross negligence or willful misconduct of Lessor or Lessor's agent.

Lessor shall, and does hereby, by its own assets and insurance, indemnify and hold Lessee harmless from any and all claims for personal injury, death and property damage, and any injury suits, actions or claims which may accrue to any person, firm or corporation by reason of any injury or damage suffered by reason of the gross negligence or willful misconduct of Lessor or Lessor's breach of this Lease. Notwithstanding anything to the contrary in this Lease, Lessor's liability under this Lease is solely limited to Lessor's interest in the Property. Under no circumstances shall any present or future, direct or indirect, principals or investors, general or limited partners, officers, directors, shareholders, trustees, beneficiaries, participants, advisors, managers, employees, agents or affiliates of Lessor, or of any of the other foregoing parties, or any of their heirs, successors or assigns have any liability for any of the foregoing matters.

- B. **INSURANCE REQUIREMENT.** Lessee shall obtain and at all times keep in effect, bodily injury and property damage liability insurance coverage covering activities and operations of Lessee, naming Lessor as co-insured, in such commercially reasonable amounts as required by Lessor. Such insurance coverage, in any form allowed by ORS 30.282. All premiums for this insurance shall be at Lessee's sole cost and expense. Lessee agrees to maintain said insurance with a company or companies satisfactory to Lessor, which insurance shall not be cancelable without fourteen (14) days' prior written notice to Lessor. All insurance required to be maintained hereunder shall name the Lessor or his assigns, heirs or successors, as additional insured, and a copy of said policy provided to Lessor. Subject to Article XI, Section 10 of the Oregon Constitution and the Oregon Tort Claims Act, Lessee does hereby indemnify and save Lessor harmless from all judgments, liabilities, expenses, costs, losses and attorney's fees arising out of any of the foregoing matters set forth in this paragraph, as well as any judgments, liabilities, expenses, costs, losses and attorney's fees incurred or paid by Lessor in defending against any suit or action or by reason of any claim arising out of any of the foregoing matters contained in this paragraph.

V. TERMINATION

- A. **DEFAULT.** It is expressly understood and agreed by and between the parties hereto that if the Rental Rate or Renewal Rental Rate provided herein shall not be paid and rendered to Lessor when due, or if the Lessee shall fail to comply with all the covenants and agreements contained in this Lease, then the Lessor, or its successors or assigns, at its election and upon thirty (30) days' advance written notice, shall declare said term ended, and, with or without process of law, to re-enter and to expel, remove and dispossess the said Lessee, or any other person or persons occupying in or upon the same, using such force as may be necessary in so doing, and to repossess and enjoy all his first and former estate therein, without being taken to be guilty of trespass or liable by way of damages or otherwise to the said Lessee, or to anyone else, and without waiver or any other rights of the said Lessor under this lease. The said Lessor, in case of default or breach of any of the terms hereof, may elect to use the remedy herein provided for repossession and, in addition thereto, may use such other remedy in law or in equity as he may desire. In the event that the Lessee fails to comply with this section or with any covenants or agreements provided under this Lease, the Lessee shall be given thirty (30) days' advance written notice and the opportunity

to cure and correct the noncompliance within such thirty (30) day period before declaration of default or repossession of the Property by Lessor.

- B. CONDEMNATION. In the event a legitimate governmental authority condemns the Property or some portion thereof and the Lessee is required to vacate the Property prior to the expiration of the Lease, the Lessee shall not be eligible for additional compensation unless the condemning authority provides additional compensation for the Lessee's displacement during the condemnation valuation process.
- C. CONVENIENCE. The Lessor and Lessee shall have the undisputed right to terminate this Lease for convenience without justification. In all cases, except Default, Condemnation or other material breach of any of the terms of this Lease, the terminating party shall provide the other party with at least sixty (60) days' notice of the intent not to renew the terms of the lease or to terminate for convenience. If this lease is terminated for convenience, the Lessee shall remove all of their personal and business property by the last day of the Lease term. Furthermore, the Lessor will have no further obligations to the Lessee.

VI. ATTORNEY FEES/VENUE

- A. ATTORNEY FEES. In the event litigation is necessary to interpret or enforce any provision of this Lease, and for any and all litigation and/or claims arising under this Lease, including claims related to a party's indemnity obligation, each party shall be wholly responsible for its own expenses which it may incur in taking such action, including costs and attorney fees, whether incurred in a suit or action or appeal from a judgment or decree therein or in connection with any non-judicial action.
- B. CHOICE OF LAW AND VENUE. Any suit or action brought in connection with any controversy arising out of this Lease shall be venued in Yamhill County, Oregon. This Lease shall be governed by and construed in accordance with the laws of the State of Oregon.

VII. HAZARDOUS MATERIALS

- A. LESSEE OBLIGATIONS. Lessee shall not generate, release, store, deposit, transport, or dispose of (collectively "Release") any hazardous substances, sewage, petroleum products, hazardous materials, toxic substances or any pollutants or substances, defined as hazardous or toxic in applicable federal, state and local laws and regulations ("Hazardous Substances") in, on or about the Property.
- B. LESSOR RIGHTS AND OBLIGATIONS. Subject to the other terms of this Lease, Lessor shall have the right from time to time to enter the Property, provided that Lessee receive notice at least 48 hours in advance, to inspect the Property for the presence of Hazardous Substances and compliance with the provisions of this Lease. Lessor may cause tests to be performed for Hazardous Substances on the Property from time to time, to be paid for at Lessor's expense.

VIII. USE

The Lessee may use the storage space to store any items not prohibited by law.

Lessee agrees not to store explosive or highly flammable materials or any Hazardous Substances. No noxious material or perishable goods may be stored. If any prohibited material is stored, the Lessor or

his agent has the right to immediately remove such materials and dispose of them with no legal liability to the Lessee. Lessor shall have the right to enter upon the storage space, provided that Lessee receive notice at least 48 hours in advance, to determine Lessee's compliance with this Lease, to perform necessary services, maintenance and repairs or alterations to the Building or the storage space, or to show the storage space to any prospective Lessee or purchaser. Except in case of emergency such entry shall be at such times and in such manners as to minimize interference with the reasonable business use of the storage space by Lessee.

IX. MAINTENANCE

Lessee is to keep the interior of the Property, including the door, in good condition, and will be responsible for the cost of any damage resulting from Lessee's use. Lessee is not to tamper with equipment or make any alterations of any nature on or to the storage spaces.

X. SUBORDINATION

This Lease shall be subject to and subordinate to any mortgage, deed of trust, or land sale contract (hereafter collectively referred to as encumbrance) now existing against the Property. At Lessor's option this Lease may be subject and subordinate to any future encumbrance hereafter placed against the Property (including the underlying land) or any modifications of existing encumbrances, and Lessee shall execute such documents as may reasonably be requested by Lessor or the holder of the encumbrance to evidence this subordination.

XI. CONDITION OF STORAGE SPACE

The Property is rented in its present as-is condition.

XII. NON-WAIVER

Any waiver of any breach of covenants herein contained to be kept and performed by the Lessee shall not be deemed or considered as a continuing waiver and shall not operate to bar or prevent the Lessor from declaring a forfeiture of any succeeding breach, either of the same condition or covenant or otherwise.

XIII. ASSIGNMENT

Lessee may not assign this Lease, nor sub-let said storage space or any part thereof, without the written consent of the Lessor.

XIV. SUCCESSORS AND ASSIGNS

This lease shall be binding on the heirs, successors, personal representatives, future property owners and assigns of the parties hereto, subject to the restrictions on assignment or sale as set forth above.

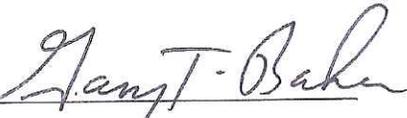
XV. AGREEMENT

This Lease sets forth the entire agreement between the parties and supersedes any previous oral or written agreement on the subject matter herein. No alterations, amendments, qualifications or modifications of this Lease shall be binding or of any force and effect, unless in writing and signed by Lessor and Lessee.

IN WITNESS WHEREOF, the parties hereto have executed this Lease in duplicate originals the day and year first above written.

LESSOR

Gary Baker Revocable Trust

BY: 
Gary T. Baker
Trustee

LESSEE

Yamhill County

BY: 
Lindsay Berschauer, Chair
Board of Commissioners

BY: 
Tim Svenson, Sheriff

APPROVED AS TO FORM:


CHRISTIAN F. BOENISCH
County Counsel

Accepted by Yamhill County
Board of Commissioners on
12/1/22 by Board Order
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