

FACILITIES LEASE

This Lease Agreement ("lease"), dated July 1, 2024, is made between LINCOLN COUNTY SCHOOL DISTRICT, Lincoln County, Oregon ("Lessor") and SILETZ VALLEY SCHOOL, Siletz, Lincoln County, Oregon ("Lessee").

This lease is subject to the terms, covenants, conditions, and restrictions set forth herein, and which are a material part of the consideration for this lease.

1. PREMISES.

Lessor hereby leases to Lessee and Lessee accepts that certain space and improved real property ("Premises") located at 245 NW James Franks Ave., Siletz, OR 97380, described in the attached and incorporated Exhibit 1, including, a school building of approximately 64,665 square feet, together with all fixtures and improvements to the real property existing now or at any time in the future, except for fixtures that Lessee installs at its own expense which can be removed without causing damage to any other part of the Premises.

2. TERM.

The term of this lease begins on July 1, 2024, and ends on June 30, 2034.

3. POSSESSION.

The Lessee is currently in possession of the Premises and will continue to maintain possession under this lease.

4. RENT.

Lessee agrees to pay Lessor rent for the Premises in the sum of \$1.00 per year, beginning August 1, 2024, and payable on each August 1, with the first payment due on August 1, 2024.

5. ADDITIONAL RENT.

In addition to the rent described in paragraph (4) above, Lessee agrees to pay the following as additional rent:

- a. The cost of all insurance which Lessee is required to have under this lease;
- b. All amounts necessary to maintain and operate the Premises as provided herein; and,
- c. Any taxes due on or with respect to the uses made of the Premises.

6. USE.

Lessee shall use the Premises for the educational program described in the approved, revised Charter School Contract dated July 2024, and shall not use or permit the

Premises to be used for any other purpose without the prior written consent of Lessor, which consent shall be within Lessor's sole discretion.

Lessee shall not do or permit anything to be done in or about the Premises, nor bring or keep anything thereon, which would, in any way, increase the existing rate of or affect any fire or other insurance upon the Premises or any of its contents, or cause cancellation of any insurance policy covering said Premises or any part thereof or any of its contents.

Lessee shall not allow the Premises to be used for any improper, immoral, unlawful, or objectionable purpose, nor shall Lessee cause, maintain, or permit any nuisance in, on, or about the Premises. Lessee shall not commit or suffer to be committed any waste in or upon the Premises. Lessee shall not cause or permit *any* hazardous substance to be brought upon, kept, or used in or about the premises by Lessee, Lessee's agents, employees, contractors or invitees without the prior written consent of Lessor, which shall not be unreasonably withheld as long as Lessee demonstrates to Lessor's reasonable satisfaction that such hazardous substance is necessary or useful to Lessee's educational program and will be used, kept and stored in a manner that complies with all laws regulating any such hazardous substance so brought upon or used or kept in or about the premises.

For purposes of this paragraph (6), the term "hazardous materials" shall mean any materials that, because of their quantity, concentration or physical, chemical or infections characteristics may cause or pose a present or potential hazard to human health or the environment when improperly used, stored, disposed of, transported or otherwise handled. This term includes, but is not limited to, asbestos, lead paint, petroleum, including crude oil, including any fraction thereof that is a liquid at standard conditions of temperature and pressure (600° Fahrenheit and 14.71 lbs. per square inch absolute), or any hazardous or toxic substance regulated under the Resource Conservation and Recovery Act, the Comprehensive Environment Response Compensation and Liability Act, or any other state, federal or local laws relating to the protection of human health or the environment.

Lessee shall indemnify, defend, and hold Lessor harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses (including without limitation, diminution in value of the Premises and sums paid in settlement of claims, attorney fees, consultant fees and expert fees) which arise during or after the Lease term because of the contamination by hazardous materials as a result of the use or activities of Lessee, Lessee's agents, contractors, and invitees. This indemnification includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any federal, state, or local governmental agency or political subdivision because of the presence of hazardous materials in the soil or ground water on or coming from the Premises. Without limiting the foregoing, if the presence of any hazardous material on the Premises caused or permitted by Lessee, or Lessee's agents, contractors or invitees, results in contamination of the Premises, Lessee shall promptly take all actions at its sole expense as are

necessary to return the Premises to the condition existing prior to the release of any such hazardous material. Nevertheless, Lessor shall have the right to order Lessee to cease any cleanup or mitigation activity if such action would potentially have any material adverse, long-term or short-term, effect on the Premises. The foregoing indemnity shall survive the expiration or termination of this lease.

7. COMPLIANCE WITH THE LAW.

Lessee shall not use the Premises or permit anything to be done in or about the Premises which will in any way conflict with any law, statute, ordinance, or government rule or regulation now in force or which may hereafter be enacted or promulgated. Lessee shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances, and governmental rules, regulations, or requirements now in force or which may hereafter be in force, and with the requirements of any board of fire insurance underwriters, or other similar bodies now or hereafter constituted, relating to, or affecting the condition, use, or occupancy of the Premises, excluding structural changes not related to or affected by Lessee's improvements or acts. The judgment of any court of competent jurisdiction or the admission of Lessee in any action against Lessee, whether Lessor be a party thereto or not, that lessee has violated any law, statute, ordinance, or governmental rule, regulation, or requirement, shall be conclusive of that fact between Lessor and Lessee.

8. ALTERATIONS AND ADDITIONS.

- a. Lessee shall not make or suffer to be made any alterations, additions, or improvements to or of the Premises or any part thereof without the prior written consent of Lessor, which consent shall not be unreasonably withheld. Any alterations, additions, or improvements to or of said Premises shall on the expiration of the term become a part of the realty and belong to the Lessor and shall be surrendered with the Premises. Lessee may designate, within thirty (30) days of installation, other items of personal property or equipment which may be added to or become part of the improvements of said Premises by Lessee which may be removed by Lessee on the expiration of the term of this lease, as long as Lessee repairs any physical injury to the Premises caused by such removal.
- b. If Lessor consents to the making of any alterations, additions, or improvements to the Premises by Lessee, the same shall be made by Lessee at Lessee's sole cost and expense. Any contractor or person selected by Lessee to make any alterations, additions, or improvements must first be approved of and consented to in writing by Lessor, which consent shall not be unreasonably withheld. Any improvements made to the Premises by Lessee shall be deemed to become a part of the Premises. Lessee shall not be entitled to any rental credit for the same, nor entitled to make any claim against Lessor in connection with such improvements.
- c. Except as may be otherwise specifically stated in this lease, Lessee shall have no right to remove any improvements placed on the Premises by either Lessor or

Lessee during the term of the lease. Lessee may remove trade fixtures, but not plumbing or light fixtures, installed by Lessee, at the termination of the lease, if such removal can be made without material damage to the Premises. Removal may not be made of any fixtures if the lease is in default in any way. In the case of such default, the Lessor may retain the fixtures as security for unpaid rent and for damages for other breaches, if any.

- d. In any instance where Lessee has the right to remove fixtures or other improvements and fails to do so within thirty (30) days after the expiration of this lease or termination thereof, the fixtures and all other improvements remaining on the Premises shall become the property of Lessor.

9. MAINTENANCE AND REPAIRS.

- a. Lessee, at Lessee's sole cost and expense, shall keep the Premises, including but not limited to landscaping, buildings, systems, fixtures, and equipment, and every part thereof in good condition and repair. Damage to the Premises from causes that are beyond the reasonable control of Lessee and ordinary wear and tear are excepted from this provision.
- b. Upon termination of this lease, Lessee shall surrender the Premises to Lessor in good condition, ordinary wear and tear and damage from causes beyond the reasonable control of Lessee excepted.
- c. Lessee's responsibility for maintenance, repair, and redecoration includes repairs to interior doors and windows, light fixtures (including those installed by Lessee), and painting and repair of interior walls, ceilings, and floors.
- d. Repair and maintenance work done by Lessee must be of a quality at least equal to the quality of the original installations in and on the Premises.
- e. Lessee's responsibility under this section shall include normal and routine maintenance and repair as well as capital improvements necessary to extend the life of the building(s), replace and renew building systems, and repair deterioration and damage caused by vandalism or excessive use.
- f. Lessee shall provide, at Lessee's sole expense, all necessary janitorial services and will not commit any strip or waste on the Premises. Janitorial supplies shall be environmentally friendly, and Lessee shall be responsible to keep an inventory of hazardous materials and MSDS sheets.
- g. Lessor shall have no responsibility for maintenance of the Premises, other than with respect to execution and approval of such documentation as may be required to allow Lessee to maintain and improve the Premises.

10. ASSIGNMENT AND SUBLETTING.

Lessee shall not either voluntarily or by operation of law, assign, transfer, mortgage, pledge, hypothecate, or encumber this lease or any interest therein, and shall not sublet the Premises or any part thereof, or any right or privilege appurtenant thereto, or suffer any other person (the employees, agents, servants, and invitees of Lessee excepted), to occupy or use the said Premises, or any portion thereof, without the prior written consent of Lessor. A consent to one assignment, subletting, occupation or use by any other person shall not be deemed to be a consent to any subsequent assignment, subletting, occupation, or use by another person or for a different use or purpose.

11. HOLD HARMLESS.

Lessee shall indemnify and defend Lessor from any claim, loss, or liability arising out of or related to activity of Lessee on the leased Premises or any condition of the leased Premises in the possession or control of Lessee related to any activity of Lessee.

12. SUBROGATION.

As long as their respective insurers so permit, Lessor and Lessee hereby mutually waive their respective rights of recovery against each other for any loss insured by fire, extended coverage, and other property insurance policies existing for the benefit of the respective parties. Each party shall obtain any special endorsements, if required by their insurer to evidence compliance with the aforementioned waiver.

13. INSURANCE.

Lessee shall maintain a comprehensive general liability insurance policy, including premises liability, auto and personal injury, with a combined single limit coverage of not less than \$2,000,000.00 naming the Lincoln County School District as an "additional named insured." Lessee shall further maintain statutory workers' compensation and employer's liability insurance as required by state law with minimum limits of \$1,000,000.00 for each accident including a waiver of subrogation. Lessee shall also maintain a broad-form standard fire insurance policy with extended coverage endorsement covering the Premises for no less than "replacement cost" on all leased facilities. Lessee may purchase a tenant's fire insurance policy to cover the cost of recovery of Lessee's contents stored on the Premises. The limit of the above insurance shall not limit the liability of Lessee hereunder. Lessee may carry said insurance under a blanket policy, providing said insurance by Lessee shall have a Lessor's protective liability endorsement attached thereto. If Lessee fails to procure and maintain said insurance, Lessor may, but is not required to, procure and maintain the same at the expense of Lessee. Insurance required hereunder shall be in companies rated no less than A-7 from AM Best's Rating Insurance Guide.

14. SERVICE AND UTILITIES.

Lessee shall pay all utility charges and service charges including but not limited to such charges as water, telephone, internet, heat, electricity, natural gas, garbage, water, sewer, etc. all at Lessee's sole expense. Lessee shall arrange for the handling of freight by Lessee's personnel, not Lessor's personnel. Lessee may contract for the receiving of freight by Lessor's personnel.

15. SECURITY.

Lessee shall be responsible for the security of the Premises. Lessee shall also maintain a fire alarm system for all structures that will be used by children that complies with all applicable fire and safety codes. Lessee shall be responsible for all applicable phone line charges. Lessee shall be responsible for providing Lessor with a copy of keys to all locks.

16. SERVICE AND REPORTING REQUIREMENTS.

Lessor agrees to the following service and reporting requirements:

- a. Maintain a safe and secure facility by:
 1. The correct operation of the building mechanical, electrical and plumbing systems;
 2. Ensuring staff are trained in first aid and CPR;
 3. Adopting risk management and emergency procedures;
 4. Maintaining adequately stocked first aid kits.
- b. Provide the Lessor, by August 15 of each year, a written annual report for the previous fiscal year (July 1 – June 30) that describes all non-routine maintenance, repairs, and improvements made during the previous year and the cost thereof, including the value of in-kind labor and materials, and a description of the manner in which the improvements were constructed which demonstrates that the cash-financed improvements were constructed using competitive procurement practices.

17. HOLDING OVER.

If Lessee remains in possession of the Premises or any part thereof after the expiration of the term hereof, with the express written consent of Lessor, such occupancy shall be a tenancy from month to month at a rental in the amount of the last monthly rental, plus all other charges payable hereunder, and upon all the terms hereof applicable to a month-to-month tenancy.

18. ENTRY BY LESSOR.

Lessor reserves and shall have the right to enter the Premises during normal business hours of Lessee, for maintenance at any time, or in the case of an emergency at any time with prompt notice to Lessee. The purpose of entrance by Lessor may be to inspect the same, supply any service to be provided by Lessor to Lessee hereunder, to submit said Premises to prospective purchasers or tenants, to post notices of non-responsibility, and to alter, improve, or repair the Premises that Lessor may deem necessary or desirable, without abatement of rent and may for that purpose erect scaffolding and other necessary structures where reasonably required by the character of the work to be performed, always providing that the entrance to the Premises shall not be blocked

thereby, and further providing that the business of the Lessee shall not be interfered with unreasonably. There shall be no abatement of rent and no liability of Lessor by reason of such entry under this paragraph unless Lessor's negligence or breach of any provision of this Lease materially interferes with Lessee's business, use, or quiet enjoyment of the premises.

For each of the aforesaid purposes, Lessor shall at all times have and retain a key with which to unlock all of the doors in, upon, and about the Premises. Lessor shall have the right to use any and all reasonable means which Lessor may deem proper to open said doors in an emergency, with the consent of Lessee obtained before entering, if possible, in order to obtain entry to the Premises without liability to Lessor, except for any failure to exercise due care for Lessee's property. Any entry to the Premises obtained by Lessor by any of said means, or otherwise, shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an eviction of Lessee from the Premises or any portion thereof.

19. RECONSTRUCTION.

In the event of damage or destruction of the Premises due to an event that is covered by property insurance, the Premises shall be restored in accordance with plans and specifications mutually agreeable to the Lessor and Lessee. Repair shall be accomplished with all reasonable dispatch, subject to interruptions and delays from labor disputes and other causes beyond District's reasonable control.

If the Premises are damaged such that the cost of restoration is reasonably estimated by the parties to exceed the proceeds of insurance available for such purpose, then the parties agree to proceed as follows:

- a. Lessor may elect to terminate this Lease by written notice to Lessee, given at least 30 days following the date of damage, whereupon Lessor shall be entitled to receive all proceeds of any policies of insurance held by Lessee, free of any claim by Lessee and Lessee shall take all action and execute all documents necessary to disburse the proceeds to District.
- b. Absent such an election, Lessor and Lessee may proceed to restore the improvements using value engineering to assure that the cost of restoration will not exceed available insurance proceeds together with any other funds available for such purposes from grants, donations or Lessee. Repair shall be accomplished with all reasonable dispatch, subject to interruptions and delays from labor disputes and other causes beyond the parties' reasonable control.

20. DEFAULT.

- a. The occurrence of any one, or more, of the following events, identified below shall constitute a default and breach of this Lease by Lessee:

1. The vacating or abandonment of the Premises by Lessee.

2. The failure by Lessee to make any payment of rent or any other payment required to be made by Lessee hereunder within ten days of the date the same is due.
 3. The failure by Lessee to observe or perform any of the covenants, conditions, or provisions of this Lease to be observed or performed by the Lessee where such failure shall continue for a period of 30 days after written notice thereof; provided, however, that if the nature of Lessee's default is such that more than 30 days are reasonably required for its cure, then Lessee or Lessor shall not be deemed to be in default if Lessee commences such cure within said 30-day period and thereafter diligently prosecutes such cure to completion.
 4. The making by Lessee of any general assignment or general arrangement for the benefit of creditors; or the filing by or against Lessee of a petition to have Lessee adjudged a bankrupt, or a petition or reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); or the appointment of a trustee or a receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within ten (10) days; or the attachment, execution or other judicial seizure of substantially all of the Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not discharged in ten (10) days.
 5. The termination or expiration of the Lessee's Charter without a replacement or renewal shall constitute an Event of Default under this Lease.
- b. The occurrence of any one, or more, of the following events, identified below shall constitute a default and breach of this Lease by Lessor:
1. Lessor shall be considered in default if, at any time, Lessor fails to make the premises available to Lessee or creates any situation which substantially impedes the use of the premises for the uses for which they are intended.
- c. Any waiver by Lessor of strict compliance within the terms of this Lease shall not be a waiver of any subsequent violation or default.

21. REMEDIES IN DEFAULT.

In the event of any default or breach by Lessee, Lessor may at any time thereafter, upon notice and without limiting Lessor in the exercise of a right or remedy which Lessor may have by reason of each default or breach:

- a. Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession of the Premises to Lessor. In such event Lessor shall be entitled to recover from Lessee all damages incurred by Lessor by reason of Lessee's default, including, but not limited to, the cost of recovering possession of the Premises; expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorney's fees, any real estate commission actually paid; the worth at the time of award by the court having jurisdiction thereof of the amount by which the unpaid rent for the balance of the term after the time of such award exceeds the amount of such rental loss for the same period that Lessee proved could be reasonably avoided; that portion of the leasing commission paid by Lessor and applicable to the unexpired term of this Lease. Unpaid installments of rent or other sums shall bear interest from the date due at the rate of ten percent (10%) per annum. In the event Lessee shall have abandoned the Premises, Lessor shall have the option of (a) taking possession of the Premises and recovering from Lessee the amount specified in this paragraph, or (b) proceeding under the provisions of the following Article 20b.
- b. Maintain Lessee's right to possession, in which case this Lease shall continue in effect whether or not Lessee shall have abandoned the Premises. In such event, Lessor shall be entitled to enforce all of Lessor's rights and remedies under this Lease, including the right to recover the rent as it becomes due hereunder.
- c. Pursue any other remedy now or hereafter available to Lessor under the laws or judicial decision of the state in which the Premises are located.

22. EMINENT DOMAIN.

If any portion of the Premises shall be taken or appropriated by any public or quasi-public authority under the power of eminent domain or if all access is taken, either party hereto shall have the right, at its option, to terminate this Lease, and Lessor shall be entitled to any and all income, rent, award, or any interest therein whatsoever which may be paid or made in connection with such public or quasi-public use or purpose, and Lessee shall have no claim against Lessor for the value of any unexpired term of this Lease. If either less than or more than 25 percent of the Premises is taken, and neither party elects to terminate as herein provided, the rent thereafter to be paid shall be equitably reduced. If any part of the Premises is so taken or appropriated, Lessor shall have the right, at its option, to terminate this Lease and shall be entitled to the entire award as above provided; and in the event Lessor does not exercise its option to terminate this Lease, Lessee shall have an option to terminate this Lease without further notice if the taking or appropriation of any part of the Premises or unreasonably interferes with Lessee's use or business.

23. TERMINATION BY LESSEE.

This Lease may be terminated by Lessee for any reason with not less than sixty (60) days prior written notice to Lessor.

24. STATEMENT AND COOPERATION BY LESSEE.

Lessee shall at any time and from time to time upon not less than ten (10) days' prior written notice from Lessor execute, acknowledge, and deliver to Lessor a statement in writing, (a) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease as so modified is in full force and effect), and the date to which the rental and other charges are paid in advance, if any, and (b) acknowledging that there are not, to Lessee's knowledge, any uncured defaults on the part of the Lessor hereunder, or specifying such defaults if any are claimed. Any such statement may be relied upon by any prospective purchaser or encumbrancer of all or any portion of the real property of which the Premises is a part. Lessee will cooperate with Lessor in providing other reasonable information to prospective purchasers or encumbrancers of the Premises. If a prospective purchaser or encumbrancer requests minor modification of this Lease, Lessee will not unreasonably refuse such modifications unless Lessee deems the modifications to be major or significant modifications affecting its rights, use of the premises, or Lessor's or Lessee's obligations under this Lease. In the event of a dispute between Lessor and Lessee under this provision, either party may, within 90 days of the occurrence of the dispute, request in writing that the matter be submitted to arbitration by a mutually acceptable arbitration according to the provisions of paragraph 26 of this Lease.

25. AUTHORITY OF PARTIES.

- a. Corporate Authority. If Lessee is a corporation, each individual executing this Lease on behalf of said corporation represents and warrants that he is duly authorized to execute and deliver this lease on behalf of said corporation, in accordance with a duly-adopted resolution of the Board of Directors of said corporation or in accordance with the Bylaws of said corporation, and that this Lease is binding upon said corporation in accordance with its terms.

26. GENERAL PROVISIONS.

a. Plats and Riders.

Clauses, plats, and riders, if any, signed by the Lessor and the Lessee and endorsed on or affixed to this Lease are a part hereof.

b. Waiver.

The waiver by Lessor of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant, or condition on any subsequent breach of the same or any other term, covenant, or condition herein contained. The subsequent acceptance of rent hereunder by Lessor shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant, or condition of this Lease, other than the failure of the Lessee to pay the particular rental so accepted, regardless of Lessor's knowledge of such preceding breach at the time of the acceptance of such rent.

c. Notices.

All notices and demands which may or are to be required or permitted to be given by either party to the other hereunder shall be in writing.

All notices and demands by the Lessor to the Lessee shall be sent by United States mail, postage prepaid, addressed to the Lessee c/o:

Siletz Valley School
Attn: Principal
PO Box 247
Siletz, OR 97380

or to such other places as Lessee may from time to time designate in a notice to the Lessor.

All notices and demands by the Lessee to the Lessor shall be sent by United States Mail, postage prepaid, addressed to the Lessor c/o:

Lincoln County School District
Attn: Superintendent
PO Box 1110
Newport, Oregon 97365

or to such other person or place as the Lessor may from time to time designate in a notice to Lessee.

Rent shall be addressed to Lessor c/o:

Lincoln County School District
Business Office
PO Box 1110
Newport, Oregon, 97365

or to such other person or place as the Lessor may from time to time designate in a notice to Lessee.

d. Headings.

The headings and Article titles to the Articles of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

e. Time.

Time is of the essence of this Lease in each and all of its provisions in which performance is a factor.

f. Successors and Assigns.

The covenants and conditions herein contained, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators, and permitted assigns of the parties hereto.

g. Recording.

Neither Lessor or Lessee shall record this Lease or a short form memorandum hereof without the prior written consent of the other party.

h. Quiet Possession.

Upon Lessee paying the rent reserved hereunder and observing and performing all of the covenants, conditions, and provisions on Lessee's part to be observed and performed hereunder, Lessee shall have quiet possession of the Premises for the entire term hereof, subject to all the provisions of this Lease.

i. Late Charges.

Lessee hereby acknowledges that late payment by Lessee to Lessor of rent or other sums due hereunder will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Lessor by terms of any mortgage or trust deed covering the Premises. Accordingly, if any installment of rent or of a sum due from Lessee shall not be received by Lessor or Lessor's designee within 10 days after written notice that said amount is past due, then Lessee shall pay to Lessor a late charge equal to ten percent (10%) of such overdue amount. The parties hereby agree that such late charges represent a fair and reasonable estimate of the cost that Lessor will incur by reason of the late payment by Lessee. Acceptance of such late charges by the Lessor shall in no event constitute a waiver of Lessee's default with respect to such overdue amount, nor prevent Lessor from exercising any of the other rights and remedies granted hereunder.

j. Prior Agreements.

This Lease contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Lease, and no prior agreements or understanding pertaining to any such matters shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors in interest. This Lease shall not be effective or binding on any party until fully executed by both parties hereto.

k. Inability to Perform.

This Lease and the obligations of the Lessee hereunder shall not be affected or impaired because the Lessor is unable to fulfill any of its obligations hereunder or is delayed in doing so, if such inability or delay is caused by reason of strike, labor troubles, act of God, or any other cause beyond the reasonable control of the Lessor.

l. Attorney Fees.

If any action or proceeding is brought by either party against the other under this Lease, the prevailing party shall be entitled to recover all costs and expenses,

including the fees of its attorneys in such action or proceeding in such amount as the court may adjudge reasonable as attorney's fees.

- m. Separability.
Any provision of this Lease which shall prove to be invalid, void, or illegal shall in no way affect, impair, or invalidate any other provision hereof and such other provision shall remain in full force and effect.

- n. Cumulative Remedies.
No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

- o. Choice of Law.
This Lease shall be governed by the laws of the State of Oregon.

IN WITNESS WHEREOF, the parties have executed this Contract as of the date first above written.

Lessor: LINCOLN COUNTY SCHOOL DISTRICT

By: _____
Peter Vince, Chairman
Lincoln County School District Board

Date

By: _____
Dr. Majalise Tolan, Superintendent
Lincoln County School District

Date

Lessee: SILETZ VALLEY SCHOOL

William Worman, Chairman
Siletz Valley School Board

Date

Approved as to form:

By: _____
District Legal Counsel

Date