

SPOKANE VALLEY PARTNERS COMMERCIAL LEASE

THIS LEASE executed at Spokane Valley, Washington, on this 1st day of **August, 2018**, by and between: **Spokane Valley Partners** hereinafter referred to as Lessor; and **Spokane County Community Services, Housing & Community Development**, hereinafter referred to as Lessee.

The current occupied space consists of approximately **821** square feet of space within **Suite 205** comprising those premises with appurtenances situate within the Spokane Valley Partners Building. In addition to the dedicated use of Suite 205, the Lessee will have access to shared spaces within the Lessor's building, when available, at no additional cost, such as: conference room, large classroom, and kitchen. The main reception desk at Spokane Valley Partners will provide general services to Lessee clients Monday-Friday, 8 a.m. – 4 p.m. The Lessor will post signs in the building to the public regarding Holidays and other days that the center is to be closed.

Spokane Valley Partners is located at 10814 East Broadway Avenue, Spokane Valley, Washington, 99206 and the entire property is more particularly described as follows:

The East 1 acre of the North half of Tract 92, OPPORTUNITY, according to Plat recorded in Volume "K" of Plats, Page 20, in Spokane County, Washington;

EXCEPT that portion deeded to Spokane County for Glenn Road by deed recorded under Auditor's File No. 167684B;

AND EXCEPT those portions deeded to Spokane County for Broadway Avenue by deeds recorded under Auditor's File Nos. 852549B and 853397B.

The North 175 feet of the East 82.5 feet of the West 2 acres of the East 3 acres of the North half of Tract 92, OPPORTUNITY, according to Plat recorded in Volume "K" of Plats, pages 20, 22 and 23, in Spokane County, Washington;

EXCEPT the North 5 feet thereof;

The East 82.5 feet of the West 2 acres of the East 3 acres of the North half of Tract 92, OPPORTUNITY, according to Plat recorded in Volume "K" of Plats, Pages 20, 22 and 23, in Spokane County, Washington;

EXCEPT the North 175 feet thereof.

1. TERM AND RENT: The term of this Lease shall be for a period of **Eleven** months commencing **August 1, 2018** and ending at midnight **June 30, 2019**. Lease payments shall be paid from the Lessee to the Lessor at the rate of **\$1044** per month (\$944 rent + \$100 phone/internet/server charge), commencing on **August 1, 2018** and continuing on or before the first day of each and every month thereafter during the term. There shall be a late fee of **\$75** charged after the fifth (5th) day of every month.

Upon expiration of the initial term, the Lessee shall have the right and option to renew this Lease for an additional amount of time to be determined upon the expiration of the current term. **THIRTY (30)** days prior to expiration of this lease, negotiations may begin to arrive at mutually-agreeable renewal terms that can then be approved.

Additional monthly services to be invoiced: Lessee will have access to Spokane Valley Partners' commercial printer/copier/fax/scanner at \$.12 per black and white copy (Invoiced monthly from private account code).

2. MAINTENANCE: Lessor shall, at its own expense, maintain SBC floors, building electrical facilities, heating and

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air conditioning. Lessee shall each be responsible for notifying Lessor of any needed maintenance of facilities.

Lessee shall, at all times during this Lease, adhere to all fire safety codes and regulations, and shall pay any fines associated with violations found in its area and any loss or damages caused by failure to adhere to fire code regulations. Lessor shall notify the Lessee of fire code violations within 48 hours.

Lessee agrees to use all reasonable precautions to prevent waste, damage or injury to the leased premises and appurtenances.

Lessor shall be responsible for having the parking lot plowed as needed in the mornings of Monday through Friday. If plowing is required for the benefit of the Lessee at other times, Lessee shall make arrangements with Lessor's regular provider and order and pay the costs thereof directly to the provider.

3. REAL ESTATE TAXES AND ASSESSMENTS: Lessee shall maintain its 501(c)(3) status such that real estate taxes are not due on the portion of the premises leased herein. Lessee shall provide proof of such status upon the request of Lessor. In the event Lessee fails to maintain its 501(c)(3) tax exempt status, any resulting increases in property taxes due on the Center building shall be paid by Lessee.

4. UTILITIES: All normal utilities, including, but not limited to, electricity, heating, lights, air conditioning, water and garbage service shall be supplied and paid for by the Lessor during the term of this Lease. Lessee will not waste said utilities. Lessor will also provide dedicated phone or internet lines to the suite for an additional fee as defined in section 1.

5. INSURANCE: Lessor shall maintain such insurance policy or policies as Lessor shall elect, insuring the Lessor against loss by fire, acts of God, and liability, such coverage to run to the benefit of the Lessor, its mortgagees or beneficiaries, but not to the benefit of the Lessee. Lessee hereby releases the Lessor from any liability for any and all damage, regardless of cause, which may occur to equipment, inventory, machinery, interior furnishings, and any and all other personal property of the Lessee located or stored on the demised premises.

Lessee agrees to maintain a policy or policies of liability insurance satisfactory to the Lessor, insuring against personal injury and property damage, which insurance shall name the Lessor as an additional insured, and which insurance shall run both to the benefit of the Lessee and Lessor. Lessor, Lessee and all parties claiming under them hereby mutually release and discharge each other from all claims and liabilities arising from or caused by any hazard covered by insurance in connection with property or activities conducted on the leased property, regardless of the cause of the damage or loss. Lessee's policy, with Lessor as an additional named insured shall have coverage of not less than one million dollars per incident.

Lessee shall provide proof of insurance at least once each year, and otherwise provide policy data and access as requested by Lessor.

Public Entity insurance requirements may be satisfied with proof of membership and liability coverage through its membership in a Risk Pool authorized under RCW 48.62.031 for Claims submitted under Chapter 4.96 RCW ("Actions against political subdivisions, municipal and quasi-municipal corporations") against the Entity, its employees, officers, volunteers and agents and/or actions in connection with or incidental to the performance of this Agreement which the Entity and/or its employees, officers, volunteers and agents are found to be liable for will be paid by the Pool and/or Entity.

6. DESTRUCTION: In the event said premises shall be partially destroyed by fire or act of God, the Lessor shall have the option to repair the building, and the rental therefore shall be suspended during the period in which said

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premises cannot be used for the purpose of the Lessee. In such event, if the Lessor elects to repair, then the terms of this Lease shall not terminate, provided, however, that if the repairs necessary to restore the building to its former condition will require in excess of 90 days to complete, the Lessee shall have the option to terminate this Lease. If the Lessee chooses to terminate the Lease, the choice will be effective as of the date written notice of such election is delivered to the office of the Lessor, and any amounts paid by the Lessee as and for rental for any period during which the premises have not been occupied shall be refunded to the Lessee.

In the event of election to repair by the Lessor, if the building be fit for partial occupancy and is occupied by the Lessee, the rental which they shall pay thereafter during the period while the repairs are being made until it shall be fit for occupancy throughout, shall be an amount agreed upon between the parties based upon a percentage of the undamaged premises to that of the total space demised.

7. ASSIGNMENT AND SUBLETTING: Tenant shall not assign neither this Lease nor any interest herein, nor sublet the Premises or any part thereof without first obtaining the written consent of Lessor. No such consent shall relieve Tenant from any liabilities hereunder nor authorize any subsequent assignment or sublease without the written consent of Lessor being first obtained.

8. INSPECTION: The Lessor reserves the right for itself and its agents to enter upon the premises for the purpose of inspecting same at all reasonable times.

9. RULES and FINES: The Front Doors shall NOT be left unlocked and unattended when the building is not open for the regular business of Spokane Valley Partners; fine: **\$50**. Details outlined in Section 10 BUILDING SECURITY. Security responses due to Lessee, fine: **\$35** and the Actual Costs thereof. Fire code regulations violations, including extended placement or use of extension cords and storing of flammable materials; fine **\$35**. Children will not be permitted to be unsupervised or noisy outside of the leased area; fine **\$35** per complaint from any user or staff person observing the same. Fines shall not be due from Lessee unless Lessee is determined to have breached the rules.

10. BUILDING SECURITY: The Security System is armed every day from 11 p.m. to 6 a.m. The use of the Facility on weekends by Lessee is allowed. Lessee shall, at all times during this Lease, adhere to all security, fire safety codes and regulations, and shall pay any fines associated with violations found in its area and any loss or damages caused by failure to adhere to fire code regulations. Lessor shall notify the Lessee of fire code violations within 48 hours. Lessee is responsible for the security of the premises on the weekends.

The front doors to the facility are to be – WITHOUT EXCEPTION – LOCKED from 4 p.m. to 8 a.m. Monday through Friday and all day – WITHOUT EXCEPTION – Saturday and Sunday. ONLY Staff or Lessees of Spokane Valley Partners may unlock these doors outside of the times outlined, and that is only if they are directly present in the lobby itself. DO NOT leave the front doors UNLOCKED outside Spokane Valley Partners' normal business hours to provide access. Make other arrangements to meet guests at the front doors and let them in.

It is our expectation that ALL of the residents of Spokane Valley Partners observe these rules and hours without exception. If it is discovered that ANY Lessee of Spokane Valley Partners is not abiding by this expectation or leaving the front doors unlocked outside of the above outlined hours it may result in the loss of access privileges outside of our business hours.

11. COMPLIANCE: At times the Lessor may distribute memorandums outlining or clarifying rules for the use of the SPOKANE VALLEY PARTNERS Facility. It is expected that all Lessees will abide by the conditions set forth in these memorandums. Noncompliance will be addressed directly with the Lessee and penalties established as outlined in

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Section 8 RULES and FINES as applicable to the situation of noncompliance.

12. BREACH OF LEASE: If default be made by Lessee in payment of rent or in the observance, payment, or performance of any of the other provisions, terms or conditions of this Lease, or if any conduct of the Lessee, its employees, agents, or invitees shall obstruct or interfere with the rights of others, or commit or suffer any illegal or immoral act to be committed in or about the premises, the Lessor may, at Lessor's sole option, terminate this Lease in the following manner.

The Lessor shall serve upon the Lessee by registered or certified mail at Lessee's last known address, a notice in writing that the Lessee has breached the Lease, which notice shall give a detailed description of the unpaid payments or the other actions or inactions of the Lessee constituting a breach of the Lease. From and after the mailing of said notice, the Lessee shall have 10 days within which to bring all payments current, or remedy any other conditions itemized in the notice. Failure of the Lessee to remedy said breach or breaches within said period shall result in Lessee's total forfeiture of all of its right, title and interest under this Lease and the Lessor shall have the right to immediately enter into said premises and remove the Lessee and its property therefrom.

In the event that the Lessee shall vacate and abandon the property before the end of the term, leaving the same unoccupied, the Lessor may take immediate possession for the purpose of protecting said property, but such possession shall not be construed as a waiver of the Lessor's rights under this Lease. Any monetary defaults, including rent, late payment fees or fines shall be collected and bear **12%** simple interest.

In the event of a forfeiture as above provided, or an abandonment of the property by the Lessee, then the Lessor may cancel this Lease in its entirety and relend the premises and apply the rent so received on the rent hereby reserved and collect the difference of said rent from the Lessee.

13. NOTICE OF INTENT TO VACATE, HOLDING OVER and RESTORATION: In the absence of alleged breach, each party is required to provide to the other, **thirty (30) DAYS WRITTEN NOTICE** of their intent to voluntarily terminate the tenancy either at the end of the stated term or thereafter. At the end of the stated term of this lease, any holding over will be on a month to month basis, under the same occupancy terms as provided herein, including the requirement to provide **thirty (30) DAYS WRITTEN NOTICE** of intent to vacate or terminate.

Lessee is required to restore the property upon removing its property. All damage to the building from installing or removing its fixtures shall be repaired, filled and finished in a workmanlike manner so as to be both fully functional for future fixtures and as closely matched to the surrounding material as is possible.

a. **"Termination Due to Change in Funding, Contract Renegotiation, or Contract Suspension:** CSHCD may terminate this Agreement by giving Spokane Valley Partners at least thirty (30) calendar days' written notice if the funds upon which CSHCD relied to establish this Lease are: withdrawn; reduced; limited; or if additional or modified conditions are placed on such funding; or if other extraordinary funding circumstances arise."

b. **"Termination without Cause.** This Lease may be terminated without cause by either party with at least thirty (30) days written notice to the other party."

14. ATTORNEY FEES: In the event that either party shall commence action of any nature to enforce any of the terms of this Lease, or to cancel same, having just cause, then the breaching party agrees to pay all costs of such action, including reasonable attorney fees incurred by the non-breaching party.

15. EMINENT DOMAIN: In case the whole of the leased premises are taken by right of eminent domain or other

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authority of law during the period of this Lease, or any extension thereof, this Lease shall terminate. In case a part of the leased premises are taken by right of eminent domain, or other authority of law, this Lease may, at the election of the Lessor, be terminated.

If a part of the premises are taken by the right of eminent domain and the Lessor does not elect to terminate the Lease, the rent herein stipulated shall be decreased proportionately according to the value of that part of the leased premises taken. If the entire premises are taken, or if a part of the leased premises are taken and the Lessor elects to terminate the Lease, then all compensation paid for the taking shall belong to the Lessor.

16. NOTICE: Whenever in this Lease it shall be required that notice or demand be given or served by either party, except for schedule changes as allowed by e-mail, said notice or demand shall be given or served by registered or certified mail and delivered to the other party at the address appearing below their signatures. Lessor or Lessee may change their place of address by notice to the other party mailed to the address stated herein, postage prepaid.

17. TIME OF ESSENCE: Time is hereby declared to be of the essence in all provisions of this Lease.

