

LIBERTY PARKADE LEASE

This Lease is entered into by and between THE CITY OF SALEM, an Oregon municipal corporation, ("Lessor") and Salem Creative Network, an Oregon non-profit corporation ("Lessee").

WITNESSETH

In consideration of the terms and conditions herein contained, Lessor leases to Lessee and Lessee leases from Lessor the Premises hereinafter described.

1. **PREMISES:**

A portion of the Liberty Parkade building (the "Building"), consisting of approximately 1,010 square feet illustrated in Exhibit "A" commonly known as 365 Ferry Street NE, Salem, Oregon, 97301 (the "Premises"). Exhibit "A" is attached hereto and incorporated by this reference as if fully set forth herein. In addition to the Premises, Lessee is also permitted the non-exclusive use of the restrooms and common areas.

2. **TERM:**

The term of this Lease is 61 days commencing August 1, 2017 and continuing through September 30, 2017, or the date Lessee has restored the Premises and returned the keys to Lessor, whichever shall occur first. Lessee shall be entitled to possession of the Premises on the commencement date.

3. **EARLY TERMINATION:**

Lessor and Lessee understand and agree that this space is being marketed for lease to prospective tenants. In the event Lessor needs the space for this purpose prior to the expiration of the term, Lessee shall immediately and without delay vacate the Premises upon 7 days written notice from Lessor.

4. **RENT AND OTHER PAYMENTS:**

There is no rent due under this Lease. Prior to the commencement date Lessee will pay to Lessor \$300.00, or \$150.00 per month, as reimbursement for increased utility usage resulting from Lessee's use of the Premises during the term of this Lease. Should Lessee's use of the space be found to generate property taxes, Lessee agrees to be responsible for payment of any and all property taxes generated by its use of the space. If Lessee continues to occupy the Premises at the end of the term without the written consent of Lessor, rent during the holdover period will be \$1,262.50 per month.

5. **USE OF PREMISES:**

The Premises are to be used by Lessee and Lessee's authorized agents for purposes related to providing creative solutions through social innovation education. Authorized uses include, but are not limited to, the display of art, public viewing, and receptions. No other business or purpose shall be carried out on the Premises without the prior written consent of Lessor. No act shall be done in or about the Premises that is unlawful or that will increase the existing rate of insurance on the Building or increase the operating expenses for the Premises. Lessee shall at

all times comply with any and all laws, regulations or ordinances of any and all governmental authorities relating to the use and occupancy of the Premises and Building and shall observe such reasonable rules and regulations as may be adopted and made available to Lessee by Lessor from time to time for the safety, care, cleanliness of the Premises or the Building, for the preservation of good order on the Premises or the Building, or the efficient maintenance and operation of the Premises or the Building.

6. SURRENDER AT TERMINATION:

Upon termination of this Lease by lapse of time or otherwise, Lessee shall at once surrender possession of the Premises and deliver Premises to Lessor in the same, or better, condition as delivered to Lessee. Lessee shall deliver all keys to the Premises to Lessor. If possession is not immediately surrendered, Lessor may take possession of the Premises and remove Lessee and any other person occupying all or a portion of the Premises, without liability.

7. LESSOR'S ACCESS:

During the term of this Lease, Lessor shall have the right to enter the Premises at any time for the purpose of showing the space to prospective tenants, or for any other purposes deemed necessary by Lessor.

8. ASSIGNMENT/SUBLETTING:

Lessee shall not assign or sublease the Premises without the prior written consent of Lessor, which consent may be withheld in Lessor's sole discretion.

9. INDEMNITY/INSURANCE/WAIVER OF SUBROGATION

Lessor shall at all times maintain in effect a policy or policies of insurance covering the first floor of the building during the term of this lease. Lessee covenants with Lessor that Lessor shall not be liable for any damage or liability of any kind for any injury to or death of persons or damage to property of Lessee or any other person from any cause whatsoever, by reason of the use, occupancy and enjoyment of the Premises by Lessee or any person thereon or holding under said Lessee. Lessee will indemnify and save harmless Lessor from all liability whatsoever other than liability caused by Lessor's negligence.

At all times during the Term of this Lease, Lessee, at its expense, will maintain commercial general liability insurance in respect of the Premises and the conduct or operation of business in it, naming Lessor as additional insured, with a combined single limit of not less than one million dollars (\$1,000,000). All such insurance will insure the Lessee's performance of the indemnity agreement as to liability for bodily injury to, illness of, or death of persons and damage to property set forth in this Lease. If applicable, Lessee will carry liquor-liability insurance in an amount and in form acceptable to Lessor. Lessee will pay for and deliver to Lessor such policies or certificates of insurance, in form reasonably satisfactory to Lessor, issued by the insurance company or its authorized agent, at least five (5) days before the Lease commences. Lessee will procure and pay for renewals of such insurance from time to time before the expiration thereof, and Lessee will deliver to Lessor the renewal policy at least thirty (30) days before the expiration of any existing policy. All such policies must contain a provision whereby the same cannot be canceled or modified unless Lessor is given at least thirty (30) days' prior written notice of the cancellation or modification.

10. INDEMNIFICATION:

Lessee shall pay, defend, indemnify and hold Lessor harmless from and against any and all liens, claims, demands, causes of action or liability for damages, costs, expenses, or attorney's fees of any kind or nature arising from any act, omission or negligence of Lessee or its officers, licensees, agents, servants or employees in or about the Building or Premises; or, arising from any accident, injury or damage to any person or property, occurring in or about the Building or Premises as a result of any act, omission or negligence of Lessee, or its officers, contractors, licensees, agents, servants, employees, guests or visitors, or arising from any breach of default under this Lease by Lessee.

11. SIGNS/ADVERTISING:

No advertising medium shall be utilized by Lessee which emanate from and can be heard or experienced outside Lessee's Premises, including without limiting the generality of the foregoing, flashing lights, searchlights, loudspeakers, phonographs, radios, or television unless written prior approval is obtained from Lessor.

12. PARKING:

The obtaining and furnishing of suitable parking facilities for Lessee's own use and for the use of Lessee's employees is the sole responsibility of Lessee. Lessee and its employees shall not park vehicles on the street in the Downtown Parking District nor in Liberty Parkade unless permitted under lawful ordinances or permits.

Lessee further agrees that upon written notice from Lessor, Lessee will within five (5) days, furnish to Lessor the vehicle license numbers assigned to Lessee's vehicles and the vehicles of all employees of Lessee and will promptly notify Lessor of any changes.

13. NOTICES:

Any notice, request, demand, instruction or other communication to be given by the parties hereto by the terms hereof shall be in writing and shall be delivered in person or sent by U. S. Mail, postage prepaid, to the addresses below by certified mail, return receipt requested, or to such other person or addresses that the parties may hereinafter designate in writing. Said notices shall be deemed given upon the personal delivery or posting thereof.

LESSOR:

City of Salem
Attn: Real Property Services Manager
350 Commercial Street NE
Salem, OR 97301

LESSEE:

Salem Creative Network
Attn: Ross Swartzendruber
P.O. Box 5124
Salem, OR 97304

IN WITNESS WHEREOF, this Lease has been executed the date and year first above written.

LESSOR:

City of Salem,
an Oregon municipal corporation

LESSEE:

Salem Creative Network
an Oregon non-profit corporation

By: _____
Steven D. Powers, City Manager

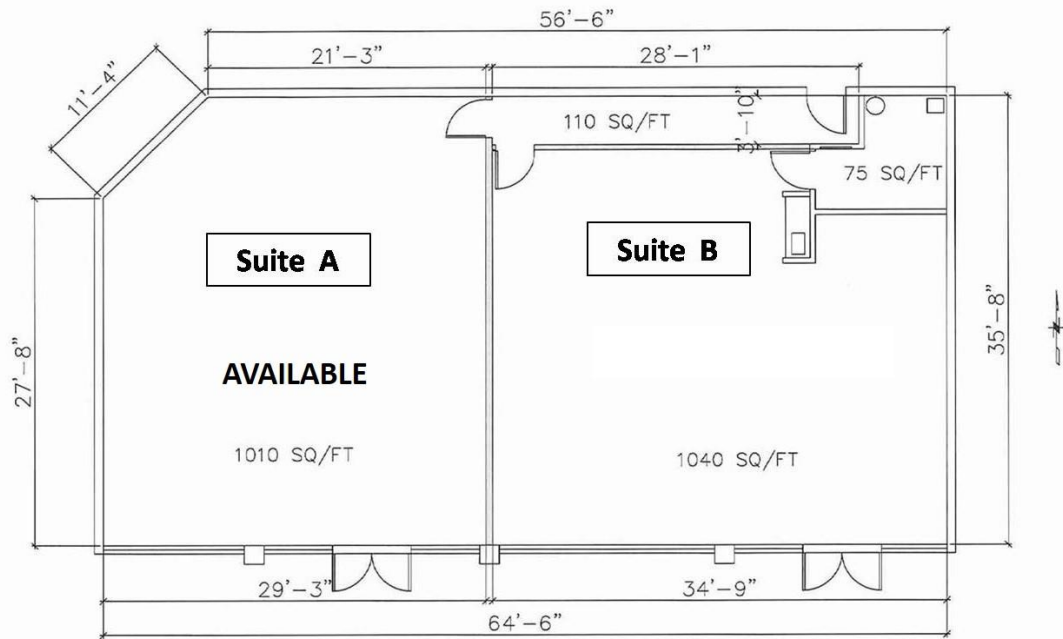
By: _____
Ross Swartzendruber, President

Date: _____

Date: _____

LIST OF EXHIBITS
Exhibit A – Floorplan

EXHIBIT A



365 FERRY ST. SE
LIBERTY SQUARE PARKADE
SALEM, OR 97301

