LEASE AGREEMENT

| This lease | (Lease) i | is ma | de this | _th o | day of | · | | <i>`</i> | 2019 | by and | between Za | c Swarthout |
|-------------|------------|---------|-------------|-------|--------|-------|----|----------|------|--------|------------|-------------|
| hereinafter | referred | to a | s "Tenant" | and | The | City | of | Salem, | an | Oregon | municipal | corporation |
| hereinafter | referred t | to as ' | "Landlord". | | | | | | | | | |

Landlord agrees to lease to Tenant the property located at **681 Rees Hill Road SE** together with the following furniture & appliances, if any: **NONE** and fixtures. All household appliances on the premises are property of the Tenant, and are to be maintained by the Tenant. Said aforementioned property, furniture, appliances and fixture are hereinafter referred to as the Premises.

This lease shall be a month to month term (Base Term) commencing on _______, 2019, and expiring with 30 days' notice subject to the following terms and conditions:

I. **RENT:**

The Tenant agrees to pay without demand by Landlord and Landlord agrees to accept as rent for the use and occupancy of the premises the sum of **Eight Hundred Seventy Five** Dollars (\$875.00) per month ("Rent") in advance on or before the first (1st) day of each and every month, commencing upon Landlord's acquisition of the Premises. Any rent due for a partial month shall be prorated based on the number of days remaining in said month, with exception of the first month should acquisition of the Premises occur after the first of the month. All rental payments to the Landlord shall be made at such a place as the Landlord shall designate. As of the time of the signing of this Lease, rental payments shall be made at **555 Liberty Street SE, Room 230, Salem, OR 97301**. Tenant acknowledges that he is paying a below market rent for the Premises. In return, Tenant agrees to maintain the lawn around the Premises as shown on Exhibit 1 to a height of no more than 8 inches, keep the entire 17.5 acre property free of litter/debris, and maintain the Premises to the standards of the neighborhood.

Failure to pay rent within three (3) days of the due date constitutes late rent and a breach of this Lease. Monthly rent not paid within seven (7) days of the due date shall be subject to a late charge of Thirty-five and no/100 Dollars (\$35.00) per day, computed to include the first day due and continuing until both rent and late charges are fully paid. Any dishonored check shall be treated as unpaid rent and shall be subject to the same charges plus thirty-five and no/100 Dollars (\$35.00) as special handling fee and must

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be made good by cash, money order, or certified check within twenty-four (24) hours of notification.

A. Per the Landlord maintenance/repair language in Sec. IX.12, should Tenant, at Tenant's sole discretion, determine that the Premises requires maintenance or repair that Tenant does not desire to undertake, which renders the Premises uninhabitable, Tenant may terminate the lease immediately during the Base Term, but shall not be entitled to any refund in Rent paid for the month in which the Lease is terminated.

II. SECURITY DEPOSIT:

The Tenant shall keep on deposit at all times with the Landlord the sum of \$0.00, which shall be held as security for the faithful performance of this Lease. At no time during the term of this Lease shall the Tenant use the Security Deposit for Rent or other charges which may become due and owing under the terms of this Lease. If applicable, the Security Deposit will be refunded to the Resident in full within 30 days of the Resident's vacating the premises provided all of the following conditions have been met:

- (1) This Lease has been terminated in accordance with this Lease.
- (2) The Tenant has given a minimum of thirty (30) days written notice, with said notice beginning only on the monthly rental due date specified in this Lease.
- (3) All rent, utilities and other charges have been paid in full.
- (4) The Tenant has not breached any provisions of this Lease.
- (5) The Tenant has returned the premises to the Landlord in the same or better condition as when received, or as they may be put, reasonable wear expected.
- (6) The Tenant has left the entire premises clean, including the range and refrigerator, closets, and cupboards, bathrooms, floors and windows; the Tenant has removed all trash and personal belongings from the premises. FAILURE TO LEAVE THE RESIDENCE IN A CLEAN CONDITION, READY FOR THE NEXT OCCUPANT, SHALL RESULT IN A MINIMUM CHARGE OF \$500.00 FOR GENERAL CLEANING, WHICH SHALL BE DUE UPON RECEIPT. THE TENANT SHALL BE GIVEN AN ITEMIZED STATEMENT OF RESTITUTION CHARGES.
- (7) The Tenant has returned all keys.
- (8) The Tenant has left a forwarding address in writing with the Landlord.

If, prior to occupancy, the Tenant elects to cancel this Lease, the Security Deposit shall be forfeited.

III. CONDITION OF PREMISES UPON OCCUPYING AND VACATING RESIDENCE:

Upon termination of this Lease by lapse of time or otherwise, Tenant shall at once surrender possession of the Premises and deliver Premises to Landlord in first class condition, reasonable wear and tear and damage or destruction by fire or other casualty which Tenant is not obligated to repair excepted. Upon surrender, all right, title and interest of Tenant in Premises shall cease. Tenant shall deliver all keys to the Premises to Landlord. If possession is not immediately surrendered, Landlord may take possession of the Premises and expel or remove Tenant and any other person occupying all or a portion of the Premises, by force if necessary, without civil or criminal liability.

All Tenant improvements installed upon the Premises by Landlord or Tenant prior to or during the term of this Lease shall at all times remain the property of Landlord free of any right, claim or interest of Tenant. All furniture, fixtures and equipment installed upon the Premises by Tenant prior to or during the term of this Lease shall be removed by Tenant prior to the expiration or other termination of this Lease. All such removal shall be accomplished in a workmanlike manner so as not to damage the Premises, the structural qualities of the Building or the plumbing, electrical lines or other utilities. Upon expiration or sooner termination of this Lease, all of Tenant's fixtures, furniture and equipment remaining in the Premises shall be deemed conclusively to have been abandoned by Tenant and may be appropriated, sold, destroyed or otherwise disposed of by Landlord without notice or obligation to compensate Tenant or to account therefor, and Tenant shall pay Landlord on demand all costs incurred by Landlord in connection therewith. No act or omission by Landlord, its agents or employees during the Lease term, including delivery of keys to any of Landlord's agents or employees, shall be deemed an acceptance of a surrender of the Premises and no agreement to accept surrender of the Premises shall be valid unless in writing signed by Landlord.

IV. RENEWAL:

Unless another rental agreement is made between the Landlord and the Tenant or unless written notice of termination is given by one party to the other at lease thirty (30) days before the expiration of this Lease, this contract shall be automatically renewed on a month-to-month basis and all other terms and provisions of this Lease shall remain the same.

V. ABANDONMENT OF PROPERTY:

Any personal property remaining in or about the premises after the termination of this Lease or after the Tenant vacates the Premises shall be considered abandoned, and at the sole discretion of the Landlord,

shall be disposed of in any manner. (Failure of the Post Office to deliver a certified letter to the Tenant shall be considered bona fide evidence that the Tenant has vacated the premises.) Any costs of disposal of abandoned property shall be the Tenant's, and shall be deducted from the Security Deposit or paid to the Landlord if said balance is insufficient to reimburse Landlord for disposal of the property. The Tenant shall hold the Landlord harmless from any and all liability arising there from. This provision shall survive the termination of this Lease.

VI. USE AND OCCUPANCY:

The Tenant shall personally use and occupy the premises solely as a private dwelling for the following people whose names are: **Zac Swarthout**. Written permission of the Landlord must be obtained for any other additional occupants. The Tenant agrees to use and occupy the premises in a safe, proper and sanitary manner. The Tenant shall not use any part of the premises for any noisy, disorderly, unlawful or immoral purpose or in any manner offensive to the neighbors or for any purpose deemed hazardous by the Landlord. The Tenant further agrees to comply with all applicable state and local housing, health and safety codes, and any other laws, ordinances or insurance regulations in or about the premises. **No sub-leasing of the premises is permitted without written permission from the Landlord.**

VII. UTILITIES:

Tenant agrees to pay for water & sewer, gas, heating oil, and electric usage within the Premises. Tenant shall be responsible for paying said monthly water/sewer, gas, oil, and electric bills and keeping the accounts for the Premises current with the service provider. Failure of Tenant to keep the accounts for the Premises current with the service providers shall be considered late rent and a breach of this Lease.

VIII. PETS:

The Tenant shall not be allowed to keep pets or animals on the premises without the prior written consent of the Landlord. If such consent is given YES NO the Tenant shall be allowed to keep the following pets or animals: 1 dog and 1 cat.

IX. TENANT'S RESPONSIBILITIES:

The Tenant shall:

- (1) Pay the rent at the times and place and in the manner specified above;
- (2) Notify the Landlord of any necessary repairs required of the Landlord;
- (3) Notify the Landlord of any extended absence of seven days or more from the premises;

- (4) Furnish the Landlord the telephone number for the premises, and any subsequent change thereof, within three (3) days of such installation or change;
- (5) Install an acceptable window treatment, such as drapes, blinds or shades as needed, in the premises within fourteen (14) days after the commencement of this Lease or date of occupancy, whichever comes last (sheets and other temporary articles are not acceptable);
- (6) Maintain in good working order and condition any appliances supplied by the Landlord;
- (7) Use and operate all electrical and plumbing fixtures properly;
- (8) Keep all plumbing fixtures as clean as their condition permits and free of all foreign materials;
- (9) Prohibit tampons, sanitary napkins, disposable diapers or other foreign material to be flushed down the toilet; and
- (10) Maintain minimum temperature of 55° in the premises, even during the Tenant's absence, in order to prevent pipes from bursting in cold weather and maintain the Premises as described in Section I.

The Landlord shall:

- (11) ensure the property is free and clear of any tax liens
- (12) due to the below market rent being paid by Tenant, **NOT** be required to perform any capital repair or routine maintenance on the Premises. Tenant shall have the right to complete any routine maintenance or capital repair to the Premises it desires. Said work shall be solely at the cost of the Tenant and shall be completed with all required permits, if applicable.

X. SANITATION:

Garbage cans and service are not provided by Landlord. All garbage and trash is to be placed in said cans. Landlord will not be responsible for taking cans to curb for pickup. Yard exterior of Premises will be maintained by tenant and must be maintained to standards of neighborhood and level acceptable to landlord. This includes but is not restricted to: grass cutting, snow removal, and leaf removal. Outdoor areas may be used for the enjoyment of Tenant provided activities are legal and non-obtrusive to neighbors.

XI. LIABILITY FOR DAMAGE, INJURY AND PROPERTY:

The Landlord shall not be liable for any damage, injury or loss to person or property caused by anyone not under the direct control and specific order of the Landlord including, but not limited to, the acts or omissions of the Tenant or Tenant's visitors. Furthermore, all personal property kept in or about the

premises by the Tenant or the Tenant's visitors shall be kept at the Tenant's own risk. The Tenant hereby releases the Landlord from all liability for damages as described herein and agrees to obtain renter's insurance covering personal property and liability.

The Tenant is responsible, without limitation, for the cost of repairing any and all damage caused by the Tenant, the Tenant's family, servants or visitors, including damage resulting from drain stoppage caused by the same. The Tenant shall pay for such damages within thirty (30) day of presentation of a bill for same from the Landlord, or the sum shall become additional rent payable on demand. Tenant shall give Landlord prompt written notice of any accident, fire or damage occurring on, about, or to the Premises, its furnishings or fixtures.

XII ACCESS:

The Tenant agrees not to unreasonably withhold consent for the Landlord to enter on the premises for the purpose of inspecting the premises or to make ordinary, necessary or agreed repairs, alterations, decorations or improvements or to supply necessary or agreed services, including the delivery of parcels which are too large for the Tenant's mail facilities. Additionally, the Landlord shall have the right to enter the premises for the purpose of exhibiting the premises to prospective Tenants, or to inspectors, appraisers, workmen or contractors. The Landlord will normally give 24 hours notice of intent to enter and will normally enter only at reasonable time. However, if an emergency arises or an effort to reach Tenant failed, Landlord may enter without notice.

XIII. NONWAIVER:

No waiver by the Landlord of any breach of any term, covenant or condition hereof shall be construed as a waiver of any subsequent breach of the same or any other term, covenant or condition. No waiver by the Landlord shall be deemed to have been made unless expressed in writing and signed by the Landlord.

XIV. **NOTICES:**

Any and all notices and/or other communications required or permitted by this Lease shall be given in writing and shall be deemed fully served and given when personally delivered to any of the parties to whom it is directed or when sent by certified or registered mail (return signature receipt) to the Landlord at 350 Commercial Street NE, Salem, OR 97301, Attn: Real Property Services Manager, or to the Tenant at the address of the Premises or such forwarding address which the Tenant may provide to the Landlord.

XV. SUCCESSORS & ASSIGNS:

The Lease shall be binding upon and shall inure to the benefit of the Landlord and his respective heirs, legal representatives, successors, and assigns.

XVI. JOINT & SEVERAL LIABILITY:

Each Tenant agrees to individually accept full responsibility for the full amount of rent or other sums which may become due and owing under the terms of this Lease.

XVII. SEVERABILITY OF PROVISIONS:

The parties agree that each provision of this Lease shall be deemed severable and if for any reason any provision hereof are found to be invalid, unenforceable, or contrary to any existing or future law, such invalidity shall not affect the applicability or validity of any other provision of this Lease.

XVIII. CONTRACTORS:

If any damages are caused by independent contractors to personal items or the Tenant's, Landlord will not be responsible; liability is the responsibility of the contractors.

XIX. QUIET ENJOYMENT

Tenant shall be entitled to the quiet enjoyment of the premises and Tenant shall not disturb, annoy, endanger or interfere with other Tenants of the building or neighbors, nor use the premises for any unlawful purpose. Tenants shall not violate any law or ordinance, nor commit waste upon the premises that interferes with neighboring property rights

THE TENANT ACKNOWLEDGES that they have read this Lease, that they understand and agree to all of the terms and conditions of this Lease, and that they have been given a copy of this Lease, including all addenda mentioned herein.

| Zac Swarthout, Tenant | CITY OF SALEM, Landlord |
|-----------------------|-------------------------|
| Driver's License # | |
| Date: | Date: |

Exhibit 1

