

WHALESHEAD BEACH RV RESORT
A LIMITED PARTNERSHIP COMPANY

SPACE LEASE AGREEMENT

Whaleshead Beach RV Resort is the owner of real property in Curry County, Oregon, commonly known as Whaleshead Beach Resort, 19921 Whaleshead Road, Brookings, Oregon 97415 and is hereinafter referred to in this Agreement as the "Lessor".

Whaleshead Beach RV Resort is improved with roads, a water system, a sewer system, electricity and individual spaces which are either leased for park model recreational vehicles or rented for short term recreational vehicles.

_____ is/are the owner(s) of the park model recreational vehicle, and associated structures, placed on Space _____ and is/are hereinafter referred to in this Agreement as the "Lessee".

1. The Lessor leases to the Lessee (subject to the terms and conditions of this lease) space _____ at Whaleshead Beach RV Resort and grants non-exclusive use and enjoyment of all the facilities and improvements located on the property in the common area (that which is not leased to other Lessees).
2. This lease shall commence on _____ and will continue for a term of 99 years, ending on _____, unless terminated by mutual agreement of the parties or by a breach of the terms and conditions, or by an abandonment of the premises by the Lessee.

Lessee shall be entitled to possession of the leased space as of the commencement date of this Space Lease Agreement and shall be entitled to continued possession during the duration of the Space Lease Agreement so long as the Lessee is not in default of this Agreement. Lessee shall surrender the space to Lessor immediately upon termination of this Space Lease Agreement unless extended by mutual agreement.

3. **Rent:** Lessee agrees to a monthly space lease amount of \$_____, payable in advance on the 1st day of each and every month. For purposes of this agreement, this amount shall be referred to as rent. Rent is payable at 19921 Whaleshead Road, Brookings, OR 97415.
 - A. Notwithstanding any other term or provision of this lease agreement, Lessor may increase the rent for this space subject to the following limitations: no more than one increase per any 12 month period; advance written notice of no less than 90 days must be provided to the lessee; and any such increase shall not exceed 10% of the amount due in the previous 12 months.

Subject to those limitations, rent increases shall be at the Lessor's sole discretion and the Lessor shall consider, but is not limited by: increases in utilities paid for the property, increases in taxes or insurance for the facility and increases in the cost of living index.

- B. Rent shall be deemed late if not paid by the end of the fifth day of each month. In the event rent is deemed late, the lessee shall incur a late charge of \$1.00 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 late charge, plus a \$45.00 special handling fee, and must be made good by cash, postal money order or certified check within 24 hours of notification.
- C. In consideration of the rent received, Lessor agrees to provide working wiring for electric service to the park model recreational vehicle and associated structures and plumbing service which provides cold, safe, running drinking water and sewer service. Lessor also agrees to provide garbage service and basic cable TV service.

Lessor further agrees to properly maintain and/or repair the landscaping, roads and walkways within Whaleshead Beach Resort and to maintain in good repair all common facilities and areas within Whaleshead Beach Resort, including but not limited to signage, office, restaurant, parking areas, storage areas, buildings, water and sewer systems.

4. **Use:**

- A. Lessee may use the space for the placement and occupancy of a park model recreational vehicle and associated structures subject to the approval of the Lessor of the size and appearance of the park model recreational vehicle and associated structures. Lessor will grant such approval of proposed structures as long as the appearance and size of the proposed units are generally consistent with the other units placed within Whaleshead Beach RV Resort.
- B. Lessee shall be solely responsible for any personal property taxes or other taxing agency assessments levied against the park model recreational vehicle and any other improvements associated therewith which are considered personal property. Lessee shall make all such payments directly to the taxing authority.
- C. Lessee shall pay when due all charges for electricity consumed by the park model recreational vehicle or its associated improvements as well as charges for LP gas, telephone, internet and TV services beyond the basic cable TV service provided by the Lessor.

- D. Lessee shall maintain the exterior of the park model recreational vehicle, as well as any associated auxiliary structures or decks, in good condition throughout the term of the lease. Both the Lessor and the Lessee recognize that normal wear and tear shall occur. Lessee is responsible for regular maintenance of any decks, porches or fences placed on their space, including but not limited to, structural integrity and wood staining. Significant changes in the color of exteriors must be approved in advance by the Lessor.
- E. No alterations or improvements to the park model recreational vehicle or its associated structures may be made without the prior written consent of the Lessor. Such alterations or improvements may include, but are not limited to, the construction of decks, porches, fences and similar structures. In addition to obtaining prior written approval by the Lessor, all such alterations or improvements must be constructed in compliance with any and all applicable County or State ordinances or regulations. Further, such alterations or improvements shall be in conformance with any requirements necessitated by the nature of the tenancy, meaning the placement of a park model recreational vehicle as personal property.

All such work must be done in good and workmanlike manner. Any alterations or improvements constructed by the Lessee shall be free and clear of any and all mechanic's liens or similar claims and the Lessee shall indemnify and defend Lessor against any and all liability or loss arising from any such claims. Nothing in this paragraph shall alter any other provisions of this lease including, without limitation, restrictions placed on the nature of the alterations or improvements that may be made by the Lessee on the leased space.

- F. Pets are allowed on Whaleshead Beach RV Resort property. Lessees shall be responsible for all damages caused by their pets and shall keep their pets under control at all times while in common areas. All pet messes must be immediately cleaned up and removed by the Lessee. Failure to keep pets under control or failure to clean up pet messes may result in a fine of \$25.00 per incident.
- G. Lessees shall maintain the space in a clean and sanitary condition at all times and upon termination of the lease shall surrender the space to the Lessor in the same or better condition as when it was received, excepting ordinary wear and tear and recognizing that the Lessor is responsible for maintaining landscaping. Lessee may install additional landscaping within their leased space at their own expense subject to the approval of the Lessor. Such additional landscaping shall be maintained by the Lessee.

- H. Lessee shall not allow any undriveable vehicle to remain within Wholeshead Beach Resort for more than 24 hours. No car repairs are to be made within Wholeshead Beach Resort, including minor maintenance such as an oil change. The Lessee shall neither deposit nor dispose of any hazardous waste within Wholeshead Beach Resort.
 - I. Storage outside of the park model recreational vehicle or its associated structures is prohibited with the exception of patio/deck furniture or a barbeque. Temporary storage sheds or cabinets will be allowed if approved by the Lessor in writing in advance of installation.
 - J. This lease is for two-person per bedroom occupancy, meaning the normal and recurrent occupants. Lessee, however, is permitted to have short-term guests. Exceptions to the two-person occupancy limitation may be granted by the Lessor on a case-by-case basis.
 - K. Absent express written consent of the Lessor, Lessee shall not independently sublet their park model recreational vehicle or any associated structure. If Lessee desires, however, to sublet their park model recreational vehicle, Lessee may do so through the Rental Program operated by the Lessor subject to the terms and conditions which are agreed upon in a separate Rental Pool Agreement.
 - L. Lessee shall not be required to participate in the Rental Program as a condition of this Space Lease Agreement.
5. Assignment/Sale: Lessee shall not at any time assign or otherwise transfer Lessee's interest in either this lease or the park model recreational vehicle or associated structures without written consent of the Lessor.

Lessor reserves the right to approve the purchasing party of the park model recreational vehicle for the purposes of leasing the space upon which the vehicle is situated and such approval will not be unreasonably withheld. Lessor will provide written approval which will be made within three days of written request by the Lessee or provide the reasons for denial in writing.

Upon written approval of the purchasing party by the Lessor and acceptance of a valid purchase offer by the Lessee, this Space Lease Agreement between the Lessor and Lessee will terminate at a date specified in the purchase contract and the Lessor will enter into a new Space Lease Agreement with the approved purchasing party.

6. Insurance: Responsibility for insurance pertaining to the common facilities of Wholeshead Beach Resort will be borne entirely by the Lessor. Upon request, Lessor shall provide written evidence of insurance to the Lessee of insurance against casualty loss and liability claims of the common facilities.

Responsibility for insurance pertaining to the individual park model recreational vehicle and associated structures will be borne entirely by the Lessee. Lessee shall carry insurance against casualty loss and liability claims of the individual park model recreational vehicle and associated structures which names the Lessor as an Additional Interest.

7. Indemnification: Lessee agrees to pay all damages caused by the negligent or intentional acts of Lessees and/or Lessee's guests, visitors or pets. Lessee further agrees to indemnify and hold the Lessor, its agents, officers and employees harmless from any and all liability arising out of such negligent or intentional acts by Lessee or Lessee's guests, visitors or pets including, but not limited to, any damages, costs, legal expenses and attorney fees incurred by Lessor as a result thereof. Lessees shall promptly defend (at Lessee's expense) any claim, action or proceeding for which indemnification is required under this paragraph.
8. Default: Each of the following shall be deemed a default and breach of this lease:
 - Lessee's failure to timely pay all rents due and owing including valid late charges, utility charges or other valid fees (subject to Oregon law governing such failure and tenancies);
 - Lessee's intentional violation of city, state or federal laws in or about Whaleshead Beach Resort;
 - Lessee's subletting or assigning of the described space, or any part thereof, without the Lessor's written consent as described elsewhere in this Space Lease Agreement;
 - Lessee's alteration or improvement of space or the park model recreational vehicle or its associated structures without the Lessor's advance written approval;
 - Lessee's violation of a Space Lease agreement provision relating to the Lessee's conduct as a Lessee;
 - Failure of the Lessee to perform any other term, condition or covenant of this lease after written notice from the Lessor specifying the nature of the failure with specificity. If the failure is of such a nature that it cannot be completely remedied within 20 days from the receipt of the written notice, the failure shall not be deemed a default if the Lessee begins correction of the failure within the following 20 days and thereafter proceeds with reasonable diligence and in good faith to correct the failure as soon as possible;
 - Attachment, execution, levy or other seizure by legal process of any right or interest of Lessee under this Space Lease Agreement if not released within 30 days;
 - Bankruptcy and assignment by Lessee for the benefit of creditors or the filing by Lessee of a voluntary petition in bankruptcy, the filing of an involuntary petition in bankruptcy and failure of Lessee to secure a dismissal of the petition within 30 days after filing, the appointment of a receiver to take possession of the park model recreational vehicle and its associated structures

for any reason. For purposes of this paragraph, the term "bankruptcy" includes all arrangements and chapters of the bankruptcy code; or

- Failure of the Lessor to provide the services to the Lessee as specified within this Space Lease Agreement or to perform any other term, condition or covenant of this lease after written notice from the Lessee specifying the nature of the failure with specificity. If the failure is of such a nature that it cannot be completely remedied within 20 days from the receipt of the written notice, the failure shall not be deemed a default if the Lessor begins correction of the failure within the following 20 days and thereafter proceeds with reasonable diligence and in good faith to correct the failure as soon as possible.
9. Upon surrender or abandonment of the space by the Lessee, if the Lessee has left personal property upon the space and it appears to the Lessor that the Lessee has no intention of asserting further claim to such property, the Lessor may remove such property pursuant to Oregon Law.
- The Lessor may give the Lessees not less than 15 days written notice by first class mail endorsed "Please Forward" to the Lessee's last known address and to any alternate address of Lessee known to Lessor that the property is considered abandoned and unless the property is removed from the space by a date specified in the notice the property will be sold or otherwise disposed of and the proceeds of the sale, if any, applied as provided by law.
10. Failure by the Lessor at any time to require performance by the Lessee of any provision of this Agreement shall in no way affect Lessor's right hereunder to enforce the Agreement, nor shall any waiver by Lessor of any breach of any provision of this Agreement be held to be a waiver of any succeeding breach of any provision, or as a waiver of the provision itself.
11. Application of Law: The parties acknowledge that as a lease agreement this Space Lease Agreement is subject to the statutes of the State of Oregon. The parties agree that all such applicable statutes shall be fully applicable to this Agreement. All such applicable statutes shall be incorporated by reference and deemed a part of this agreement.
12. Severability: The invalidity or illegality of any provision of this Space Lease Agreement shall not affect the remainder of the Lease.
13. Attorney Fees: In the event suit or action is brought to enforce any of the provisions of this Lease, the prevailing party shall be entitled to reasonable court costs and attorney fees, both at trial and on appeal.
14. Lessee agrees that they have personally inspected the space to be leased and finds it satisfactory at the time of execution of this agreement.

15. **Mailing Addresses:**

The mailing addresses for the Lessor and the Lessee are as noted below. Such addresses may be changed with notice to the other party without change to other provisions of this lease agreement.

The mailing address for the Lessor shall be:

Whaleshead Beach RV Resort
19921 Whaleshead Road
Brookings, OR 97415

The mailing address for the Lessee shall be:

AGREED TO AND ACCEPTED this _____ day of _____, 20__

LESSOR:

LESSEE:

BY: _____

Date

Date