

SUBLEASE AGREEMENT

This sublease agreement is made and entered into effective the 1st day of January, 2025, by and between:

City of Coburg, an Oregon municipal
corporation
PO Box 8316
Coburg, OR 97408

herein referred to as "Sublessor"

and

Coburg Main Street, an Oregon nonprofit
corporation
PO Box 8275
Coburg, OR 97408

herein referred to as "Sublessee"

RECITALS

WHEREAS, Sublessor is the tenant pursuant to that certain Real Estate Lease Agreement (hereinafter "Lease") between West Point Lodge #62, (hereinafter "Owner") and Sublessor affecting certain real property commonly known as 91119 N. Willamette Street, Coburg, Oregon consisting of approximately 2100 square feet of ground floor retail space and the attached parking lot to the south of the building (hereafter referred to as "Leased Premises").

WHEREAS, Sublessee desires to sublease the Leased Premises, pursuant to the terms and provisions of this agreement.

WITNESSETH

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other valuable consideration, the receipt of which is hereby acknowledged the parties agree as follows:

1) Agreement to Sublease Leased Premises: Sublessor hereby agrees to sublease the Leased Premises to Sublessee and Sublessee hereby agrees to lease the Leased Premises from Sublessor pursuant to the terms contained herein.

2) Term: The initial term of this lease shall be one (1) year commencing on January 1, 2025, and terminating at 11:59 p.m. on December 31, 2025, unless otherwise extended or renewed by the parties.

3) Rent: Sublessee agrees to pay to Sublessor as and for rent for the Leased Premises the sum of \$1.00 per month, payable within 30 days from lessor invoice date.

3.1 Lessor hereby waives a security deposit. Notwithstanding, Sublessee agrees that the premises shall be left broom clean, and in the same condition as existed at the commencement of the Sublease, normal wear and tear excepted. In the event the Sublessor must make repairs or restore the property to precondition, ordinary wear and tear excepted, then the Sublessee, upon receipt of demand by Sublessor, shall immediately pay to Sublessor the reasonable costs of restoration

3.2 All rent payments shall be paid to the order of Sublessor and delivered to the address stated above or such other place as Sublessor may, from time to time, notify Sublessee in writing.

4) Utilities: Sublessee shall pay all charges for wifi, heat, electricity, natural gas, water, sewer and garbage, which shall be used in or charged against the Leased Premises during the full term of this Agreement unless agreed to by written agreement for a specific utility or service provider. All costs of janitorial service for the interior of the leased premises shall be paid by the Sublessee. The Building exterior, landscaping and parking lot area will be addressed on a case-by-case basis with pre-agreement of both parties prior to the service or work being performed.

5) Property Taxes/Common Area Charges:

5.1 Real Property Taxes: During the term of this lease, Owner shall pay all real property taxes assessed against the property, and payable pursuant to the terms of the Lease.

5.2 Personal Property Taxes: Sublessee shall pay, when due, any and all taxes levied or assessed and which become payable during the term hereof upon all of Sublessee's leasehold improvements, equipment, furniture, fixtures, inventory and any other personal property located on the Leased Premises.

6) Insurance: The Sublessee shall, at the time this lease is executed, provide the City of Coburg with a Certificate of Insurance that demonstrates compliance with all insurance requirements specified herein. The Certificate of Insurance must be issued by the Sublessee's insurance provider and shall be submitted to City of Coburg for verification. The Certificate of Insurance shall include an "Additional Insured" endorsement in favor of City of Coburg. This endorsement must be in compliance with state laws and regulations. The Sublessee will be required to provide written notice of cancellation, non-renewal, or material change to City of Coburg at least 30 days in advance. The Certificate of Insurance shall be kept current throughout the duration of the lease and any extensions.

6.1 Liability Insurance: Sublessee agrees to defend, indemnify, keep and save Sublessor and Owner harmless from any obligation, liability, cost or expense (including attorneys' fees), suit or claim for damage or injury sustained on the Leased Premises and arising out of Sublessee's use of the Leased Premises, or any act or omission by Sublessee, its subtenants, concessionaires, or Sublessee's employees, officers, agents, customers, invitees or licensees, during the term of this sublease, and in connection therewith, Sublessee agrees to carry, at its sole cost and expense, in responsible companies authorized to do business in the State of Oregon, public liability insurance with at least the same or greater coverages as required of the Sublessor under the terms of the Lease, and to have Sublessor and Owner named therein as additional insured. A copy of the policy or policies shall be delivered to Sublessor and Owner.

Sublessee agrees to provide fire insurance in an amount sufficient to protect Sublessee's improvements, equipment and fixtures on the leased premises, in an amount deemed reasonable by Sublessee.

7) Liability to Third Persons:

7.1 Liens: Sublessee shall keep the Leased Premises free and clear of all liens or encumbrances imposed or threatened to be imposed on the Leased Premises which would affect Sublessor's title to the Leased Premises and which arise by reason of any contract, act or omission of Sublessee.

7.2 Hold Harmless: Sublessee agrees to hold Owner and Sublessor harmless against any and all claims, damages, suits or causes of action for damages brought on account of injury to any person or persons or property or loss of life arising out of the use, operation and maintenance of the Leased Premises.

8) Use: As a condition of this Sublease, Sublessee will, during the entire term of this sublease and any renewal or extension hereof, continuously use and occupy the Leased Premises for the purposes allowed under the terms of the Lease and for no other use without the prior written consent of Owner and Sublessor.

8.1 Under no circumstances will the Leased Premises be used for residential purposes.

9) Compliance with the Law: Throughout the term of this Sublease, Sublessee shall at its expense conform to and comply or cause compliance in all material respects with all applicable laws including without limitation all laws, rules, regulations, ordinances, approvals, consents, authorizations, orders, and other requirements of governmental or regulatory agencies or authorities with respect to the design, acquisition, manufacture, construction, erection, installation, assembly, use, maintenance, servicing, storage, finishing, condition, and operation of the Leased Premises, including all zoning, safety, sanitation, pollution, and environmental protection requirements applicable to Leased Premises, except

to the extent valid variances, waivers, exceptions, or similar exceptions have been obtained therefrom (provided, that the same are not subject to time limitations or to any contingencies or restrictions which would cause the same to terminate upon a change in the ownership of, or in the persons operating, the Leased Premises). Sublessee shall do or cause to be done all things necessary to preserve and keep in full force and effect permits required for the conduct of its business and operations from the time of commencement of this sublease until its expiration or termination. In the event of any change in applicable codes or laws during the terms of this Sublease or any renewal or extension hereof, Sublessee will correct/conform to same at its sole cost and expense.

10) Compliance with Lease: Sublessee acknowledges that it has reviewed a copy of the underlying Lease EXHIBIT A between the Owner and Sublessor and agrees to take no action which would be an event of default of the terms contained therein. It is acknowledged that any act of default by Sublessee under the terms of the Lease shall be deemed a default of this agreement.

10.1 The parties acknowledge that Sublessor has entered into an Intergovernmental Agreement dated November 10, 2021 EXHIBIT B, as amended with Lane Council of Governments for the purpose of operating a Café 60 congregate dining room to serve the needs of older adults in the City of Coburg. Notwithstanding anything to the contrary in this Sublease, Sublessee agrees to honor the terms of the LCOG Agreement, and to take no action which will interfere with Sublessor's obligations thereunder.

11) Repairs, Care of Premises and Alterations Except where maintenance or repairs are required as a result of the negligence or willful act of the Sublessee, all maintenance, repairs and replacements required on the Leased Premises shall be the responsibility of the Sublessor . Otherwise, Sublessee agrees to maintain the Leased Premises in a neat clean condition, and in the same condition as exists as of the Commencement Date, natural wear and tear by the elements excepted.

11.1 Desired repairs, replacements or improvements to the leased premises shall be requested in writing by the sublessee and must receive sublessor approval prior to sublessee entering into contract and/or actual construction activities occur.

12) Damage or Destruction/Eminent Domain: In the event the Leased Premises is partly or completely damaged, or is, in whole or in part taken or condemned from public use, then the provisions of the underlying Lease shall apply to this Sublease. Sublessee acknowledges that it shall be subject to any rights of termination of Owner as provided in said underlying Lease, and that the termination of the underlying Lease shall immediately act to terminate this sublease.

13) Return of Premises: Sublessee covenants and agrees that at the end of the term or upon any sooner termination of this sublease, to quit and deliver up the Leased Premises to Sublessor peaceably and quietly and in good order and repair, reasonable wear and tear and damage by fire or other casualty excepted. Sublessee shall remove all of its trade fixtures, equipment, inventory and signs and any other items which are the personal property of Sublessee.

Any such items not installed at Sublessee's expense may not be removed unless Sublessee has Sublessor's specific written consent to do so. In the event the Leased Premises are damaged by reason of the removal of any of the foregoing items, Sublessee shall promptly, and in a workmanlike manner, repair such damage at its own expense.

14) Events of Default: Each of the following shall be deemed a default by Sublessee:

- (a) Sublessee's failure to pay rent as herein provided within ten days of the date it is due;
- (b) Sublessee's failure to perform any other term, condition or covenant of this lease to be observed by Sublessee;
- (c) Sublessee's evacuation or abandonment of the premises;
- (d) The sale of Sublessee's leasehold interest hereunder pursuant to execution;
- (e) The adjudication of Sublessee as bankrupt;
- (f) The making by Sublessee of a general assignment for the benefit of creditors;
- (g) The appointment of a receiver in equity for Sublessee's property if such appointment is not vacated or satisfied within thirty (30) days from the date of such appointment;
- (h) The appointment of a trustee or receiver for Sublessee's property in a reorganization, arrangement or other bankruptcy proceeding if such appointment is not vacated or set aside within thirty (30) days from the date of such appointment;
- (i) Sublessee's filing of a voluntary petition in bankruptcy or for reorganization or arrangement or the serving on the Sublessee of an involuntary petition in bankruptcy or for reorganization or arrangement against Sublessee if such petition is not vacated within thirty (30) days after the filing thereof; or
- (j) Sublessee's filing of an answer admitting bankruptcy or agreeing to reorganization or arrangement.

15) Sublessor's Rights Upon Sublessee's Default: In the event of any default provided in Clause (a) of the foregoing Section 24 and the continuance of such default after ten (10) days written notice from Sublessor to Sublessee or in the event of any other default as set forth in Section 24 and the continuance of such default after twenty (20) days written notice from Sublessor to Sublessee (except in the event such default is of a nature as not to be reasonably susceptible to cure within said twenty (20) day period, in which case the period of cure shall be extended so long as Sublessee commences its

efforts to cure within said twenty (20) day period and thereafter diligently pursues the same to completion), Sublessor, in addition to any other rights or remedies at law or in equity, may:

(a) Elect to terminate this Sublease effective immediately upon written notice of termination to Sublessee and, subject to Oregon law, may re-enter the premises, remove all persons and property therefrom and store such property in a public warehouse or elsewhere at the sole cost and for the account of Sublessee, all without resort to legal process and without being deemed guilty of trespass or becoming liable for any loss or damage that may be occasioned thereby;

(b) In the event that Sublessee has failed to perform any of its covenants under this sublease other than a covenant to pay rent, perform on behalf of and at the expense of Sublessee the covenant or covenants of Sublessee which are in default (entering upon the premises for such purpose, if necessary). The cost of such performance by Sublessor, together with interest thereon at the rate of thirteen percent (13%) per annum from the date such expenditure is made or cost incurred, shall be paid by Sublessee to Sublessor upon demand. Sublessor's performance of any such covenant shall not be construed as a waiver of Sublessee's default or of any other right or remedy of Sublessor in respect of such default, nor as a waiver of any covenant, term or condition of this lease; or

(c) Immediately re-enter, the premises remove all persons and property therefrom, and store such property in a public warehouse or elsewhere at the sole cost and for the account of Sublessee all without service of notice or resort to legal process, without being deemed guilty of trespass or becoming liable for any loss or damage which may be occasioned thereby, and without such re-entry being deemed to terminate this Sublease.

Notwithstanding the provisions of this Section regarding notice and opportunity to cure, in the event of a default provided in Section 14, Sublessor may exercise the remedy provided in Clause (b) of this Section without any notice to Sublessee of its unperformed obligation if the unperformed obligation of Sublessee reasonably constitutes an emergency.

16) Re-Letting: In the event Sublessor re-enters the premises as provided in Clause (c) of the foregoing Section 15, or takes possession of the Leased Premises pursuant to legal proceedings or pursuant to any notice provided for by law, they may either terminate this sublease, or from time to time without terminating this Sublease, make alterations and repairs for the purpose of re-letting the Leased Premises and re-let the premises or any part thereof for such term or terms (which may extend beyond the lease terms provided that Sublessee shall not be responsible for any such periods beyond the lease terms), at such rental and upon such other terms and conditions as Sublessor reasonably deems advisable. Upon such re-letting, all rentals received from such re-letting shall be applied first to payment of costs and expenses (including, without limitation, reasonable attorneys' fees) incurred by Sublessor in connection with such repossession, removal, re-letting, alterations and repairs; second, to the payment of rent and any other indebtedness due and unpaid hereunder; and the remainder, if any, shall be held by Sublessor and applied in payment of future rent as it becomes due and payable hereunder. If the

rentals received from such re-letting during any month are less than amounts to be paid hereunder by Sublessee during that month, Sublessee shall pay any such deficiency to Sublessor. Such deficiency shall be calculated and paid monthly. No re-entry or taking of possession by Sublessor of the Lease Premises shall be construed as an election to terminate this sublease unless a written notice of termination is given to Sublessee. Notwithstanding any re-letting without termination, Sublessor may at any time thereafter elect to terminate this lease for Sublessee's previous default.

17) Damages Upon Termination: In the event that Sublessor at any time terminates this Sublease for any default by Sublessee, in addition to any other remedies Sublessor may have, Sublessor may recover from Sublessee any damages which may be due or sustained prior to such termination, all damages Sublessor may incur by reason of such default, including costs of recovering the premises, making alterations and repairs for the purpose of re-letting, reasonable attorneys' fees, and the value at the time of such termination of the excess, if any, of the amount of rent and charges equivalent to rent reserved in this lease for the remainder of the lease terms over the then reasonable rental value of the premises for the remainder of the lease term less any reasonably anticipated vacancy period. All such amounts shall be immediately due and payable from Sublessee to Sublessor.

18) Notice: Except as applicable law may otherwise require, all notices and other communications required or permitted hereunder shall be in writing and shall be deemed given when delivered by personal delivery or three business days after placement in the U.S. mail, certified or registered mail, postage prepaid, addressed to the parties at the addresses as set forth above.

Any Party may at any time change its address for such purposes by delivering or mailing to the other Parties a notice of such change.

19) Assignment and Subletting: Sublessee agrees that it may not assign all or any portion of its rights under this Sublease, or sublet all or any portion of the Leased Premises without the prior written consent of Owner and Sublessor, which consent shall not be unreasonably withheld upon a showing of good financial character of the proposed assignee or subtenant, and that the intended uses of the Leased Premises are compatible with the uses of other tenants leasing portions of the real property.

20) General Provision:

20.1 Quiet Enjoyment: Sublessee may and shall peaceably and quietly have and enjoy the Leased Premises for the term hereinabove specified and providing always that Sublessee has faithfully kept and performed all covenants and conditions herein contained.

20.2 Modifications: This Sublease may not be modified except by endorsement in writing attached hereto, dated and signed by the Parties. Neither Party shall be bound by any statement of any agent or employee modifying this sublease, except for any person who has been specifically authorized in writing to do so by the appropriate Party.

20.3 Succession: This Sublease shall be binding upon the Parties hereto, their legal representatives, heirs, administrators, executors, successors and, so far as this sublease

and the term or terms hereby created are assignable, their assigns.

20.4 Non-Waiver: It is expressly understood and agreed that the waiver by Sublessor of any default under the terms hereof, whether in payment of rent or otherwise, shall in no event be construed to be a waiver of any other or subsequent breach of the same or any other covenant herein contained.

to 20.5 Attorney's Fees: In the event that suit or action is instituted by either Party hereto procure any remedy for any breach of this sublease or for interpretation of any of the terms or conditions hereof, the prevailing Party shall be allowed such sum as the court may adjudge reasonable as attorneys' fees and court costs in such suit or action or any appeal therefrom.

20.6 Subrogation: Neither the lessor nor the lessee shall be liable to the other for loss arising out of damage to or destruction of the leased premises, or the building or improvements of which the leased premises are a part or with which they are connected, or the contents leased any thereof, when such loss is caused by any of the perils which are or could be included within or insured against by a standard form of fire insurance with extended coverage, including sprinkler leakage insurance, if any. All such claims for any and all loss, however caused, hereby are waived. Such absence of liability shall exist whether or not the damage or destruction is caused by the negligence of either lessor or lessee or by any of their respective agents, servants or employees. It is the intention and agreement of the lessor and the lessee that the rental reserved by this lease has been fixed in contemplation that each party shall fully provide his own insurance protection at his own expense, and that each party shall look to his respective insurance carriers for reimbursement of any such loss, and further, that the insurance carriers shall not be entitled to subrogation under any circumstance against any party to this lease. Neither the lessor nor the lessee shall have any interest or claim in the other's insurance policy, or the proceeds thereof, unless specifically covered therein as a joint assured.

Parties 20.6 Applicable Law: The Leased Premises are located in the State of Oregon. The Parties agree that the determination of rights, remedies and the validity of any portion of this sublease shall be determined by the laws of the State of Oregon.

20.7 Disclaimer: This document constitutes the entire agreement between the Parties hereto and supersedes any prior agreement, verbal or written, and any prior representation, either implied or actual.

20.8 Severability: In the event that any provision of this Sublease shall be proven to be invalid, void or illegal, it shall in no way affect, impair or invalidate any other provision hereof, and all remaining provisions shall remain in full force or effect.

20.9 Time is of the Essence: Time is of the essence of this sublease and the performance of all of the terms and conditions herein.

IN WITNESS WHEREOF, the agreement was executed in duplicate on the day and year first above written.

SUBLESSOR

CITY OF COBURG, an Oregon municipal Corporation

By: _____

Title: _____

SUBLESEE

COBURG MAIN STREET, an Oregon nonprofit corporation

By: _____

Title: _____

This sublease is consented to this ____ day of _____, 2025.

OWNER

WEST POINT LODGE #62

By: _____

Title: _____