

GROUND LEASE AGREEMENT

THIS GROUND LEASE AGREEMENT ("Agreement") is made as of the date of the last signature affixed hereto ("Commencement Date") by and between **DESCHUTES COUNTY**, a political subdivision of the State of Oregon ("Lessor"), and **MOUNTAIN VIEW COMMUNITY DEVELOPMENT**, an Oregon nonprofit public benefit corporation ("Lessee"). Lessor and Lessee are referred to herein as "Party" or "Parties."

A. RECITALS

1. Lessor owns certain real property located at 1002 NE 17th Street, Redmond, OR, 97756. It contains +/- 1,636.93-acres as shown on Exhibit A, attached hereto and incorporated herein by reference. ("Property").
2. Subject to the terms and conditions of this Agreement, the Parties desire to enter into this Agreement to lease a portion of the Property containing +/- 9.48-acres, more or less, legally described on Exhibit B1 and as shown on Exhibit B2, attached hereto and incorporated herein by reference ("Site").

2.1 Lessor has agreed to include a buffer area to the north of the Site that shall remain vacant, unimproved land and provide an area of open space during the Term of the lease ("Buffer"). Buffer commences on Site's Northern boundary extending Fifty (50') feet north and spans the length of the Site from East to West. The Buffer is bordered to the East by a segment of future 21st Street and to the West by City of Redmond-owned property. Buffer is not included in Site and Lessor does not agree to lease the Buffer to Lessee, unless amended in writing by Parties.

2.2 Lessee may elect to increase the size of the Buffer by utilizing the Site's 9.48-acres.

3. Lessor agrees to lease the Site to Lessee.
4. Lessor is highly supportive of Lessee's stated intent to develop and operate approximately 75-unit Permanent Supportive Housing project (as defined in Section 5.1) known as Mt. View Community Village ("Program"). The purpose of the Program is to provide permanent supportive housing to vulnerable community members within Deschutes County ("Residents"). The Program will provide essential services, including but not limited to case management and wraparound services as needed. The Program will include a community meeting and activity space, and approximately 75 individual residential units that will include a kitchen and a bathroom and other Site improvements to support and operate the Program ("Improvements").

B. WITNESSETH

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

1. TERM. The term of this Agreement shall be effective on the date of the last signature affixed hereto ("Effective Date"), and shall expire April 30, 2090 unless sooner terminated in accordance with this Agreement.

1.1 EARLY TERMINATION. Notwithstanding any other provision of this Agreement, Lessee may terminate this Agreement upon ninety (90) day's advance written notice if Lessee determines, in its sole discretion, that Lessee is unable to obtain the permits and approvals required to develop a Permanent Supportive Housing as described in Section A.4, that Lessee is unable to obtain financing or financial support for the construction of the Improvements or to operating the Program, or if Lessee is unable to fulfill one or more of its obligations as described in Section 7. If the Lease is terminated under this Section, Lessee shall have no further obligation to Lessor that arise on or after the date of termination.

2. RENT. Except as otherwise provided elsewhere in this Agreement, in recognition of the public benefit rendered by Lessee's activities, the monthly lease rate is zero (\$00.00) for the term of this Agreement.
3. POSSESSION. Lessee's right to exclusive possession and obligations under the Agreement shall commence as of the Effective Date of this Agreement, except as otherwise provided herein.
4. CONDITION OF SITE. Lessor and Lessor's employees, elected officials, volunteers, agents and representatives (collectively "Indemnified Parties") as defined in Section B.11 have made no warranties or representations regarding the condition of the Site, including, without limitation, the suitability of the Site for intended uses, except as may be expressly set forth herein. Lessor has no obligation to repair, alter, and/or construct any improvements on the Site. Lessee has inspected and accepts the Site in its "AS IS" condition upon taking possession, except as otherwise expressly set forth herein. Lessor will have no liability to Lessee, and Lessee will have no claim against Lessor, for any damage or injury or loss of use caused by the condition of the Site, except as expressly set forth herein. Lessee is solely responsible for thoroughly inspecting the Site and ensuring that it is in compliance with all Legal Requirements (as defined below), except as expressly set forth herein.

5. PERMITTED USE.

5.1 Lessee shall utilize the Site to develop and operate approximately 75 units of permanent supportive housing ("PSH") as provided and defined in OAR 813-138-0005, as the same may be amended from time-to-time.

5.1.1 Lessee may reserve no more than Ten percent (10%) of PSH Units for missional and/or peer support occupancy that are not restricted as defined in Section 5.1.

5.2 Lessee will engage with professional contractors including but not limited to architects, engineers and general contractors for site design and development at its discretion, sole cost, and expense.

5.2.1 Design. Prior to 50% completion of design/construction documents, Lessee will be required to schedule a public work session with the Board of County Commissioners to review Site design and development elements and solicit input. Lessee shall consider any comments and suggestions from the Board of County Commissioners, subject to the site design and development and shall be subject to applicable laws, and be determined by Lessee's reasonable discretion, including but not limited to the requirements for PSH as defined in Section 5.1 and Lessee's financial resources.

5.2.2 Construction. Lessee anticipates that construction will commence in early 2026. Lessee will provide a construction schedule with the completed design and construction documents.

5.3 Lessee will be required to provide Lessor with any reports filed annually with Oregon Housing Community Services ("OHCS"), or its successors, with respect to the Site, or a portion thereof, and will forward such report to the Lessor within fifteen (15) days after such reports are filed with OHCS. Lessor may reasonably require additional reporting from time-to-time.

5.4 Lessee will acquire all required permits from the City of Remond ("City") in accordance with the City's development code.

5.5 No other additional use of the Site is permitted unless agreed upon in writing and in advance by the Parties.

6 RESTRICTIONS ON USE. In terms of use of the Site, Lessee shall:

6.1 Maintain improvements, structures and fences on the Site, if any, to standards of repair and safety reasonably acceptable to Lessor.

6.2 Except as undertaken in the ordinary course of conducting its Permitted Use and in compliance with applicable local, state and federal law, refrain from the disposal, spilling or discharging of any oil, gasoline, diesel fuel, chemicals, or other pollutants on the leased Site. In the event of such spills, Lessee shall undertake any and all necessary actions to contain and remove from the Site as provided by law.

6.3 Conform to all applicable Legal Requirements of any public authority affecting the Site and Lessee's specific use of Site and correct at Lessee's own expense any failure of compliance created by Lessee or by reason of Lessee's

specific use of the Site, except as expressly set forth in this Agreement. For purposes of this Agreement, the term "Legal Requirement(s)" means any and all rules, regulations, covenants, conditions, restrictions, easements, declarations, laws, statutes, liens, ordinances, orders, codes, rules, and regulations applicable to the Site and/or Lessee's specific use thereof of the Site, including, without limitation, the Americans with Disabilities Act of 1990, as amended (and the rules and regulations promulgated thereunder), all as now in force and/or which may hereafter be amended, modified, enacted, or promulgated.

6.4 Refrain from any use which would create a nuisance either on the Site or offsite or damage the Site, including but not limited to, creating offensive odors, excessive dust or noise on the Site or maintaining a fire on the Site. Nothing herein shall be construed to prohibit normal activities necessary to utilize the Site for its Permitted Use.

6.5 Refrain from making any unlawful use of said Site.

7 LESSEE'S OBLIGATIONS. The following shall be the responsibility of the Lessee at Lessee's sole cost:

7.1 Arrangement for and delivery to the Site, as necessary, of all water, sanitary sewer, gas, electrical, and other utility services deemed necessary by Lessee.

7.2 Structural repairs and maintenance of any screening, fences, buildings, water, sanitary sewer, gas and electrical services, and other utility services to the Site.

7.3 All repairs necessitated by the activities or negligence of Lessee, its agents, employees, volunteers or invitees on or in connection with the Site.

7.4 All repairs or alterations required under Lessee's obligation to comply with Legal Requirements and regulations as set forth in "Restrictions on Use" above.

7.5 All landscape maintenance to ensure vegetation remains tidy and viable, including replacement of any plantings as necessary as well as all irrigation repairs and maintenance to help ensure landscape viability.

7.6 All ad valorem tax and other real property assessments, bonds, levies or the like for the leased Site except as for provided and further described in Section B.8.

7.7 All taxes and assessments upon Lessee's personal property located on the Site as outlined in Section B.8 of this Agreement.

7.8 The cost of property and liability insurance as outlined in Section B.16 of this Agreement.

7.9 All utility charges associated with the operation for the Permitted Use of the Site, including but not limited to electricity, natural gas, water, sanitary sewer, and other such services as necessary.

7.10 All other costs operations or future improvements associated with the Permitted Use of the Site.

7.11 In the event Lessor receives complaints associated with the Program from property owners adjacent to the Site or the community at large, Lessor may require Lessee to provide a summary report to include the issue and mitigating solutions, and Lessor reserves the right to propose solution based input on such issues. Further, Lessor may request and Lessee shall make itself reasonably available to attend a public Board of County Commissioner meeting to present any specific issues for discussion. Lessee shall consider all complaints and proposed solutions, but Lessee shall not be obligated to accept or implement any proposed solution that is inconsistent with the operation of PSH as defined in Section 5.1, or that would require an expenditure that strains Lessee's financial resources, as determined by Lessee in its reasonable discretion.

8. TAXES AND ASSESSMENTS. After execution of this Agreement, Lessee shall apply within fifteen (15) days for a property tax exemption status based on Lessee's nonprofit status. If the property tax exemption application is denied and the taxing authority assesses real property tax and assessments for the Property, Site or Site Improvements, Lessee shall pay before delinquency, all assessments and levies against the portion of the Property. Prior to delinquency, Lessee shall pay all personal property taxes on Lessee's fixtures, equipment, inventory and other personal property in or about the portion of the Property subject to taxation.

8.1 Lessee shall be responsible for the record keeping and assessment due that are associated with prevailing wages including but not limited to amounts payable to the Oregon Bureau of Labor & Industries and U.S. Department of Labor.

9. INSPECTION OF PROPERTY. During the term of this Agreement, Lessor shall have the right to inspect the Site in the Lessee's presence with reasonable notice by Lessor; however, Lessor's right to inspect shall be subject to all notice requirements and restrictions imposed by Oregon law, including but not limited to the Oregon Residential Landlord Tenant Act.
10. REPAIRS. Lessee accepts the Site in its "AS IS" condition, except as expressly set forth herein. Lessee will at all times keep the Site in good condition consistent with the condition of the Site on the Effective Date and make all repairs during the term of the Agreement necessary to maintain the Site in good condition.
11. INDEMNIFICATION OF LESSOR. Lessee shall be responsible for any and all injury to any and all persons or property caused directly or indirectly by reason of any and all activities by Lessee on or in connection with the leased property; and further agrees to indemnify, defend, and save harmless the Lessor, its officers, agents, employees, and volunteers from and against all claims, suits or action, damages, costs, losses and

expenses in any manner resulting from, arising out of, or connected with any such injury. Lessor shall be responsible for the negligent and wrongful acts of its officers, agents, employees and invitees. Provided however, consistent with its status as a public body, Lessor enjoys certain privileges and immunities under the Oregon State Constitution, Article XI, and Oregon Revised Statutes 30.260 through 30.300, the Oregon Tort Claims Act, and thus its liability exposure is restricted.

12. PARTIAL TAKING. If a portion of the Site is condemned and Section B.13 TOTAL TAKING does not apply, the Agreement shall continue on the following terms:

12.1 Lessor shall be entitled to all of the proceeds of condemnation of the Property and Lessee shall have no claim against Lessor as a result of the condemnation; however, Lessee shall retain the right to the portion of the condemnation proceeds attributed to Lessee's Improvements on the Property, including but not limited to the units of Permanent Supportive Housing as defined in Section 5.1.

12.2 If a public agency exercises Partial Taking by condemnation but does not provide separate appraisals for the Site and Improvements, Lessor may require Lessee to procure separate appraisals, at Lessee's expense, to confirm the value of said Site and Improvements.

13. TOTAL TAKING. If a condemning authority takes all of the Site or a portion sufficient to render the Site reasonably unsuitable for the use which the Lessee was then making of the Site, the Agreement shall terminate as of the date the title vests in the condemning authority. Lessor shall be entitled to all of the proceeds of condemnation, and the Lessee shall have no claim against Lessor as a result of the condemnation; however, the Lessee shall retain the right to the portion of the condemnation proceeds attributed to Lessee's Improvements on the Property, including but not limited to the units of permanent supportive housing as defined in Section 5.1.

13.3 If a public agency exercises Total Taking by condemnation but does not provide separate appraisals for the Site and Improvements, Lessor may require Lessee to procure separate appraisals, at Lessee's expense, to confirm the value of said Site and Improvements.

14. SALE IN LIEU OF CONDEMNATION - DEDICATION TO THE PUBLIC. Sale of all or part of the Property to a purchaser with the power of eminent domain in the face of a threat or probability of the exercise of the power shall be treated for the purpose of this Section B.14 as a taking by condemnation. Dedication to the public, sale, or transfer of all or a portion of the Property of Lessor to the State of Oregon, its political subdivisions or United States of America, shall be treated as a Total Taking or Partial Taking, as applicable.

15. LIENS.

15.1 Except with respect to activities for which the Lessor is responsible, the Lessee shall pay as due all claims for work done on and for services rendered or material furnished to the Site and shall keep the Property free from any liens.

15.2 Lessee may withhold payment of any claim in connection with a good faith dispute over the obligation to pay, so long as Lessor's Property interests are not jeopardized. If a lien is filed as a result of nonpayment, Lessee shall, within thirty (30) days after knowledge of the filing, secure the discharge of the lien or deposit with Lessor cash or a sufficient corporate surety bond or other surety satisfactory to Lessor in an amount sufficient to discharge the lien plus any costs, attorney fees and other charges that could accrue as a result of a foreclosure or sale under a lien.

15.3 If Lessee fails to pay any such claims or to discharge any lien, or bond over any such lien, within thirty (30) days after written notice of such lien, Lessee shall remedy any lien. If Lessee fails to remedy any liens, Lessee will be in default and such default may be remedied or exercised in accordance to Section B.19.

16. INSURANCE.

16.1 It is expressly understood that Lessor shall not be responsible for carrying insurance on any personal property owned by Lessee.

16.2 Lessee will be required to carry fire and casualty insurance on Lessee's personal property on the Site. Neither Party shall be liable to the other (or to the other's successors or assigns) for any loss or damage caused by fire or any of the risks enumerated in a standard fire insurance policy.

16.3 Lessee shall provide to Lessor proof of workers' compensation insurance, upon request.

16.4 Lessor is self-insured under ORS 30.282 and has established a self-insurance fund for liability arising out of any tort claim or property damage against any of its programs, officers, agents, employees and volunteers acting within the scope of their employment. This coverage is applicable under any Deschutes County agreement. A certificate of insurance will be provided upon request.

16.5 Lessee shall carry commercial general liability insurance, with a combined single limit of not less than \$1,000,000 for each occurrence, with an annual aggregate limit of \$2,000,000. The policy shall include an additional insured endorsement, naming Deschutes County, its officers, agents, employees, and volunteers as additional insureds. The policy shall be written on an occurrence basis unless approved and authorized by Lessor. There shall be no cancellation, termination, or reduction of limits of the insurance coverage during the term of this Lease. Lessee can meet the requirements of this section through a state-approved, self-insurance program so long as the program provides adequate levels of coverage to comply with this agreement.

16.5.1 Claims Made Policies/Tail Coverage: If any of the required insurance policies is on a "claims made" basis, the Lessee shall maintain either "tail" coverage or continuous "claims made" liability coverage, provided the effective date of this continuous "claims made" coverage is on or before the effective date of this Lease, for a minimum of twenty-four (24) months following the end of the lease agreement. Notwithstanding the foregoing twenty-four (24) month requirement, if Lessee elects to maintain "tail" coverage and if the maximum time period "tail" coverage reasonably available in the marketplace is less than the twenty-four (24) month period described above, then Lessee may request and be granted approval of the maximum "tail" coverage period reasonably available in the marketplace. If approval is granted, the Lessee shall maintain "tail" coverage for the maximum time period that "tail" coverage is reasonably available in the marketplace. Claims Made Policy (completed by County Risk Management)

☐ Approved ☐ Not Approved

16.6 Lessee shall furnish a current Certificate of Insurance to Lessor. The Certificate shall state the deductible or, if applicable, the self-insured retention level. Lessee shall be responsible for any deductible or self-insured retention. Lessee shall notify the County in writing at least 30 days in advance of any cancellation, termination, material change, or reduction of limits of the insurance coverage.

17. ASSIGNMENT AND SUBLEASE. Except as specifically permitted by this Agreement, Lessee will not sell, assign, mortgage, sublet, lien, convey, encumber, and/or otherwise transfer (whether directly, indirectly, voluntarily, involuntarily, or by operation of law) all or any part of Lessee's interest in this Agreement and/or in the Site (collectively, "Transfer") without Lessor's prior written consent. Notwithstanding anything to the contrary set forth in this Agreement, Lessee shall have the right to assign or transfer its interest in this Agreement to any affiliate of Lessee or subsidiary of Lessee's ultimate parent, without Lessor's consent, but with prior written notice to Lessor. Upon any approved Transfer, (a) the terms and conditions of this Agreement will in no way be deemed to have been waived or modified, (b) consent will not be deemed consent to any further Transfer, (c) the acceptance of Rent by Lessor from any other person will not be deemed to be a waiver by Lessor of any provision of this Agreement, and (d) no Transfer relating to this Agreement, whether with or without Lessor's consent, will modify, relieve, or eliminate any liability or obligations Lessee or any guarantor of this Agreement may have under this Agreement. Any unauthorized Transfer which does not comply with this Agreement will be void and will constitute a breach of this Agreement. Notwithstanding any other provision of this section, Lessee shall be permitted to enter into both short-term and long-term rental agreements or leases with "tenants" as defined by ORS Chapter 90, and to permit individuals and entities to use the improvements consistent with the operation of permanent supportive housing and as further limited in Section 5.1 and 5.1.1.

17.1 The Site will only be utilized for Permanent Supportive Housing as defined by OAR 813-138-0005(8), and shall combine leased units with rental assistance and comprehensive tenant support services for persons experiencing chronic homelessness, as defined by the project's continuum of care, and serving housing earning at or below sixty percent (60%) Deschutes County Area Median Income, so that they may live independently.

17.1.1 Lessee may reserve no more than Ten percent (10%) of PSH Units for missional and/or peer support occupancy that are not restricted to the rate requirements as described in Section 17.1.

18. DEFAULT. Each of the following will constitute an "Event of Default" and a breach of this Agreement:

18.1 Failure of Lessee to pay taxes or assessments as applicable, utilities, or any other charge if Lessor is notified of any such amounts related to the Site or Lessee's operations specific to the Site, said amounts must be paid by Lessee within ten (10) business days after written notice from Lessor.

18.2 Failure of Lessee to perform or comply with any term, condition, and/or covenant or fulfill any obligation of the Agreement (other than the payment of rent or other charge, cost, and/or expense) within thirty (30) days after written notice is received by Lessee from Lessor specifying the nature of the default with reasonable particularity. If the failure is in such a nature that it cannot be completely remedied within the thirty (30) day period, the failure will not be a default if Lessee begins correction of the failure within the thirty (30) day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable.

18.3 Attachment, execution, levy, and/or other seizure by legal process of any right or interest of Lessee under this Agreement if not released within thirty (30) days.

18.4 Lessee becomes insolvent within the meaning of the United States Bankruptcy Code, as amended from time to time; an assignment by Lessee for the benefit of creditors; the filing by Lessee of a voluntary petition in bankruptcy; an adjudication that Lessee is bankrupt or the appointment of a receiver of the properties of Lessee; the filing of any involuntary petition of bankruptcy and failure of Lessee to secure a dismissal of the petition within thirty (30) days after filing; attachment of or the levying of execution on the leasehold interest and failure of Lessee to secure discharge of the attachment or release of the levy of execution within ten (10) days.

19. REMEDIES ON DEFAULT.

19.1 Upon the happening of an Event of Default, the Agreement may be terminated at the option of the Lessor or Lessee by notice in writing to Lessee or

Lessor. The notice may be given at any time after any grace period for default given under Section B.18. All of Lessee's rights in relation to the Site and in all improvements on the Site will terminate as of the date of termination and/or expiration. Promptly after such notice, unless agreed upon by the Parties in writing, Lessee will surrender and vacate the Site and all improvements in broom clean and in good condition. Lessor may reenter and take possession of the Property and of all improvements and eject some or all parties in possession except any sub-lessee qualifying under any non-disturbance agreement by Lessor and any Program tenant who is occupying a portion of the Property. Lessor and Lessee will have all rights and remedies available to Lessor and Lessee under this Agreement, at law, and in equity. Termination under this Section will not relieve Lessee from the payment of any sum then due to Lessor or from any claim for damages previously accrued or then accruing against Lessee. Termination under this Section will not relieve Lessor from the payment of any sum then due to Lessee or from any claim for damages previously accrued or then accruing against Lessor.

19.2 In the event Lessor terminates this Lease, the Lessor, or those having the Lessor's estate in the Property, lawfully at its option, may enter into and upon said demised Property and every part thereof, and repossess the same of Lessor's former estate, and expel said Lessee and those claiming by and through or under Lessee other than Program tenants, and remove Lessee's effects at Lessee's expense, forcibly if necessary, and store the same, without being deemed guilty of trespass and without prejudice to any remedy which otherwise might be used for arrears of rent or preceding breach of covenant. If Lessor terminates the Agreement, Lessor will be entitled to recover immediately, the reasonable costs of reentry and reletting including, without limitation, the cost of any clean-up, refurbishing, removal of Lessee's property and fixtures, and/or any other expense occasioned by Lessee's failure to quit the Property upon termination and to leave the Property in the required condition, including, without limitation, any remodeling costs, attorney fees, court costs, broker commissions, and advertising costs.

19.3 The foregoing remedies shall be in addition to, and shall not exclude, any other remedy available to Lessor under applicable law.

20. TERMINATION AND SURRENDER.

20.1 Upon expiration, abandonment, termination, revocation or cancellation of this Agreement, the Lessee shall surrender the Site to Lessor, including all improvements made to Site by Lessee. Nothing in this Agreement shall be construed as to relieve Lessee of Lessee's affirmative obligation to surrender said Site in satisfactory condition which complies with all Legal Requirements. Under no circumstance is Lessor responsible to compensate Lessee for any and all improvements made to the Site during the initial or subsequent terms of the Agreement. Lessee's obligation to observe and perform this covenant shall survive the expiration or the termination of the Agreement.

20.2 Termination on Default. In the event of a default, the Agreement may be terminated at the option of the non-defaulting Party by notice in writing to the

other(s). Except as otherwise stated in this Agreement, the non-defaulting Party(s) shall be entitled to any remedies available to that Party under applicable law.

21. PERSONAL PROPERTY.

21.1 All personal property placed upon the leased Property during the term of this Agreement by Lessee shall remain the property of Lessee except as otherwise provided herein.

21.2 Unless agreed upon in writing by the Parties, upon abandonment, expiration, termination, revocation, or cancellation of this Agreement, Lessee shall remove from the Site all personal property of Lessee on or prior to the date of such termination. All site improvements shall remain on the property as outlined in Section 20. If Lessee fails to remove all or part of such personal property on the expiration or termination of this Agreement, then all such personal property shall become the property of Lessor.

22. NOTICES. Any notice by Lessee to Lessor or Lessor to Lessee must be mailed first class by the United States Postal Service (USPS), postage prepaid, addressed to the other at the address given below or at such other address as either may designate by written notice. Notice shall be deemed effective three (3) calendar days following posting at a USPS location as herein described.

LESSOR:
Deschutes County
Attention: Property Manager
P.O. Box 6005
Bend, Oregon 97708-6005
Physical: 14 NW Kearney
Bend, OR 97703
541-385-1414 Office
541-317-3168 Fax
Kristie.Bollinger@deschutes.org

LESSEE:
Mountain View Community Development
Attn: Director of Operations
1475 SW 35th Street
Redmond, Oregon 97756
541-527-0028 Office
John@mvcdredmond.org

23. NONWAIVER. Waiver by either party of strict performance of any provision of this Agreement shall not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision.

24. PARTNERSHIP. Lessor is not by virtue of this Agreement a partner or joint venture with Lessee in connection with activities carried on under this Agreement and shall have no obligation with respect to Lessee's debts or any other liabilities of each and every nature.

25. LESSEE NOT AN AGENT OF LESSOR. It is agreed by and between the Parties that Lessee is not carrying out a function on behalf of the Lessor, and that Lessor does not have the right of direction or control of Lessee's operation under this Agreement or to exercise any control over the activities of Lessee.

26. LAND USE PERMIT. This Agreement does not constitute a land use permit, nor does acceptance of this Agreement by Lessor constitute approval of any legislative or quasi-judicial action required as a condition precedent to use of the land for the intended purpose.
27. LESSOR'S RIGHT TO CURE DEFAULTS. If Lessee fails to perform any obligations under this Agreement, Lessor shall have the option, but not the obligation, to do so after thirty (30) days' written notice to the Lessee. All of Lessor's actual and reasonable expenditures to correct the default shall be reimbursed by Lessee on demand with interest at the rate of nine percent (9%) per annum from the date of expenditure by Lessor. In the event that Lessee, upon using Lessee's best efforts, is unable to obtain all required land use permits, Lessee may terminate this Agreement upon written notice to Lessor. Lessee shall remain liable to Lessor following termination for all unpaid lease payments, charges and damages due prior to termination and any damages, expenses, costs or losses suffered by Lessor due to Lessee's termination of this Agreement.
28. NON-DISCRIMINATION: No person shall be subject to discrimination in the receipt of any services or benefits made possible by, or resulting from this Agreement on the grounds of sex, race, color, religion, creed, marital status, age, national origin, or disability. Any violation of this provision may be considered a material breach of this Agreement and grounds for termination by Lessor.
29. LITIGATION FEES AND EXPENSES. If any arbitration or litigation is instituted to interpret, enforce, or rescind this Agreement, including, without limitation, any proceeding brought under the United States Bankruptcy Code, the prevailing party on a claim will be entitled to recover with respect to the claim, in addition to any other relief awarded, the prevailing party's reasonable attorney's fees and other fees, costs, and expenses of every kind, including, without limitation, the costs and disbursements specified in ORCP 68 A(2), incurred in connection with the arbitration, the litigation, any appeal or petition for review, the collection of any award, or the enforcement of any order, as determined by the arbitrator or court.
30. TIME IS OF THE ESSENCE. Time is of the essence of each and every provision of this Agreement.
31. SEVERABILITY. The Parties agree that if any term or provision of this Agreement is declared by a court of competent jurisdiction to be void, invalid or unenforceable, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular term or provision held to be void, invalid or unenforceable.
32. AUTHORITY. Lessee covenants that it possesses the legal authority to bind its principals to the terms, provisions and obligations contained within this Agreement. If it is determined that Lessor does not have authority to enter into this Agreement, Lessor may terminate this Agreement by providing written notice to Lessee.

33. MEDIATION and ARBITRATION.

33.1 Mediation. Before any party to this Agreement initiates Arbitration and/or litigation in Circuit Court, the parties must first attempt non-binding mediation. The parties shall split the cost of the mediator. If the parties are unable to agree on selection of the mediator, then the Director at Central Oregon Mediation shall choose. The mediation shall last no more than four (4) hours in duration.

33.2 Disputes for Arbitration. If any dispute arises between the Parties and the dispute cannot be resolved, the Parties shall submit the same to binding arbitration. If the Parties are unable to agree upon an arbitrator, then either party may apply to the presiding judge of Deschutes County to appoint the required arbitrator.

33.3 Procedure for Arbitration. The arbitration shall proceed according to the Oregon statutes governing arbitration, and the award of the arbitrator shall have the effect therein provided. The arbitration shall take place in Deschutes County. Common costs of the arbitration shall be shared equally by the Parties, but each Party shall pay its own attorney fees incurred in connection with the arbitration.

34. ENTIRE AGREEMENT. This Agreement and attached Exhibits, if any, constitute the entire agreement between the Parties concerning the subject matter of the Agreement and supersede any and all prior or contemporaneous negotiations and/or agreements between the Parties, whether written or oral, concerning the subject matter of this Agreement which are not fully expressed herein. This Agreement may not be modified or amended except by a writing signed by all Parties to this Agreement.

35. LESSOR DEFAULT. No act or omission of Lessor will be considered a default under this Agreement until Lessor has received thirty (30) days' prior written notice from Lessee specifying the nature of the default with reasonable particularity. Commencing from Lessor's receipt of such default notice, Lessor will have thirty (30) days to cure or remedy the default before Lessor will be deemed in default of this Agreement; provided, however, that if the default is of such a nature that it cannot be completely remedied or cured within the twenty-day cure period, there will not be a default by Lessor under this Agreement if Lessor begins correction of the default within the thirty-day cure period and thereafter proceeds with reasonable diligence to effect the remedy as soon as practical.

36. INTERPRETATION. All pronouns contained herein and any variations thereof will be deemed to refer to the masculine, feminine, or neutral, singular or plural, as the identity of the parties may require. The singular includes the plural and the plural includes the singular. The word "or" is not exclusive. The words "include," "includes," and "including" are not limiting. The term "person" means any natural person, corporation, limited liability company, partnership, joint venture, firm, association, trust, unincorporated organization, government or governmental agency or political subdivision, or any other entity. The titles, captions, or headings of the sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

37. SEVERABILITY/SURVIVAL. If any of the provisions contained in this Agreement are held illegal, invalid, or unenforceable, the enforceability of the remaining provisions shall not be impaired. All provisions concerning the limitation of liability, indemnity and conflicts of interest shall survive the termination or expiration of this Agreement for any cause.

38. LEASEHOLD MORTGAGES. Lessee has the right to mortgage or grant a security interest in Lessee's interest in this Lease, the Site, and the Improvements under one or more leasehold mortgages to one or more Lending Institutions (as defined in Section 38.1 below), and to assign this Lease as collateral security for those leasehold mortgages, on the condition that all rights acquired under the leasehold mortgages are subject to every covenant, condition, and restriction set forth in this Lease, and to all rights and interests of Lessor, none of which covenants, conditions, restrictions, rights, or interests is or may be waived by Lessor by reason of the right given to mortgage or grant a security interest in Lessee's interest in this Lease and the Site and the Improvements, except as expressly provided otherwise. Without limiting the foregoing, at all times the Site must be used for PSH as defined by Section 5.1.

38.1 NOTICE. Prior to Lessee entering into a leasehold mortgage, Lessee is required to notify the Lessor of its intent and provide associated documentation for Lessor's review.

38.2 DEFINED TERMS. Any mortgage, deed of trust, financing statement, security agreement, or other financing instrument granted by Lessee pursuant to this Section 38 is referred to as a "Permitted Leasehold Mortgage," and the holder of or secured party under a Permitted Leasehold Mortgage is referred to as a "Permitted Leasehold Mortgagee." The Permitted Leasehold Mortgage that is prior in lien or interest among those in effect is referred to as the "First Leasehold Mortgage," and the holder of or secured party under the First Leasehold Mortgage is referred to as the "First Leasehold Mortgagee." For the purposes of any rights created under this Section, any so-called wraparound lender will be considered a First Leasehold Mortgagee. If a First Leasehold Mortgage and a Permitted Leasehold Mortgage that is second in priority in lien or interest among those in effect are both held by the same Permitted Leasehold Mortgagee, the two Permitted Leasehold Mortgages are collectively referred to as the First Leasehold Mortgage. The term "Lending Institution" means any commercial, national, or savings bank, savings and loan association, trust company, pension trust, foundation, or insurance company, and any other entity, person, corporation, partnership, or otherwise making a loan on the security of Lessee's interest in this Lease or any portion of the Site or the Improvements.

38.3 Lender Protections. If a Permitted Leasehold Mortgagee sends to Lessor a true copy of its Permitted Leasehold Mortgage, together with written notice specifying the name and address of the Permitted Leasehold Mortgagee, then as long as the Permitted Leasehold Mortgage remains unsatisfied of record or until written notice of satisfaction is given by the holder to Lessor, the following provisions will apply (in respect of the Permitted Leasehold Mortgage and of any

other Permitted Leasehold Mortgages):

(a) This Lease may not be (i) amended, modified, terminated or canceled by reason of the exercise of any option or election by Lessee, unless such amendment, modification, termination, or cancellation by Lessee is assented to in writing by the Permitted Leasehold Mortgagee. Any such attempted amendment, modification, termination, or cancellation by Lessee without the Permitted Leasehold Mortgagee's assent is void. Furthermore, no mergers will result from the acquisition by, or devolution upon, any one entity of the fee and the leasehold estates in the Site or the Improvements.

(b) Upon serving Lessee with any notice under this Lease, whether of default or any other matter, Lessor will simultaneously serve a copy of the notice on the Permitted Leasehold Mortgagee, and no notice to Lessee will be deemed given unless a copy is so served on the Permitted Leasehold Mortgagee in the manner provided in this Lease for giving notices.

(c) In the event of any default by Lessee under this Lease, each Permitted Leasehold Mortgagee has the same period as Lessee has, plus 30 days, after service of notice on it of the default, to remedy or cause to be remedied or commence to remedy and complete the remedy of the default complained of, and Lessor must accept that performance by or at the instigation of the Permitted Leasehold Mortgagee as if the same had been done by Lessee.

(d) If Lessor elects to terminate this Lease because of any default of Lessee, the Permitted Leasehold Mortgagee will have, in addition to the rights granted under the preceding section, the right to postpone and extend the specified date for the termination of this Lease as fixed by Lessor in its notice of termination, for a period of 12 months, as long as the Permitted Leasehold Mortgagee (i) cures or causes to be cured any then-existing defaults as defined in Section 18, and (ii) forthwith takes steps to acquire or sell Lessee's interest in this Lease by foreclosure of the Permitted Leasehold Mortgage or otherwise and prosecutes the same to completion with reasonable diligence and continuity. If, at the end of the 12-month period, the Permitted Leasehold Mortgagee is actively engaged in steps to acquire or sell Lessee's interest, the time of the Permitted Leasehold Mortgagee to comply with the provisions of this section will be extended for a period that is reasonably necessary to complete those steps with reasonable diligence and continuity.

(e) Lessor agrees that if this Lease is terminated by reason of any default by Lessee, Lessor will enter into a new lease for the Site and the Improvements with the holder of the then First Leasehold Mortgage ("Holder") on this Lease, or with its nominee or designee, for the remainder

of the term of this Agreement, effective as of the date of the termination, and on the other terms and provisions as herein contained and subject only to the same as this Lease was subject on the date of the execution hereof, and to the rights, if any, of any parties then in possession of the Site or any portion thereof, provided as follows: (i) The Holder will request the new lease within 30 days after the date of termination of the Lease; (ii) the Holder will pay to Lessor at the time of execution and delivery of the new lease all sums as to which the First Leasehold Mortgagee will have been provided with prior notice and which would at the time of execution and delivery thereof be due under this Lease had it not terminated, together with any expenses, including reasonable attorney fees, to which Lessor will have been subjected by reason of the default; (iii) Lessor will not warrant possession of the Site to the Lessee under the new lease; (iv) the new lease will be expressly made subject to the rights, if any, of Lessee under this terminated Lease; (v) Lessee under the new lease will have the same right, and leasehold interest in and to the Site as Lessee had under this Lease (except as otherwise provided herein); and (vi) the Holder will not be obligated to perform any obligations of Lessee hereunder until the Holder actually acquires possession of the Site. (vii) If Lessee fails to vacate upon termination, Lessor or Holder has the right to remove Lessee, as provided by Oregon Revised Statute (ORS) 105.100 - 105.168.

(f) Nothing herein contained will require any holder of a Permitted Leasehold Mortgage or its nominee or designee to cure any default of Lessee arising out of its bankruptcy, insolvency, reorganization, or other proceeding under the bankruptcy or insolvency laws of the United States or the State of Oregon or otherwise.

(g) Lessor agrees to amend this Lease from time to time to the extent reasonably requested by a Lending Institution proposing to make Lessee a loan secured by a Permitted Leasehold Mortgage, as long as such proposed amendments do not materially and adversely affect the rights, obligations, or liabilities of Lessor or Lessor's interest in the Site or the Improvements. All reasonable expenses Lessor incurs in connection with any such amendment will be paid by Lessee.

(h) Lessor agrees that the name of the Permitted Leasehold Mortgagee may be added to the "loss payable endorsement" of any or all insurance policies required to be carried by Lessee.

- 39 ESTOPPEL CERTIFICATE. Within 15 days after a request is made by a party, the other party will, without charge, give a certification in writing to any person, firm, or corporation reasonably specified by the requesting party stating (a) that this Lease is then in full force and effect and unmodified, or if modified, stating the modifications; (b) that Lessee is not in default to Lessor, or if in default, stating the default; (c) that as far as the maker of the certificate knows, neither party is in default in performing or observing any other covenant or condition to be performed or observed under this

Lease, or if either party is in default, stating the default; (d) that as far as the maker (if Lessor) of the certificate knows, no event has occurred that authorized, or with the lapse of time will authorize, Lessee to terminate this Lease, or if such an event has occurred, stating the event; (e) that as far as the maker of the certificate knows, neither party has any offsets, counterclaims, or defenses, or, if so, stating them; (f) the dates to which Resident's Rent has been paid; and (g) any other matters that may be reasonably requested by the requesting party.

- 40 Right of First Opportunity and Right of First Refusal. Lessor, including for purposes of this section only the individual members thereof, agree not to sell, transfer, exchange, grant an option to purchase, lease, or otherwise dispose of the Site, or any part of, or interest in, the Site without first offering the Site to Lessee on the terms and conditions set forth in this section. As used in this Section, the term "sell" includes a ground lease with primary and renewal terms of more than 5 years in the aggregate. The prohibition contained in this Section shall not include transfers of interests between family members or transfers by the individual members to a trust adopted for estate planning purposes.

40.1 Right of First Opportunity. If Lessor elects to sell the Site, Lessor shall deliver to Lessee a notice of first opportunity to purchase the Site (the "Notice"). The Notice shall include Lessor's sale price and the proposed date for closing, and the notice may be in the form of a proposed sale agreement for Lessee's signature. Lessee may exercise the right of first opportunity by delivering notice of acceptance to Lessor, or if Lessor has provided by a proposed sale agreement, then only by signing the proposed sale agreement and delivering the same to Lessor. Under no circumstance will Lessee be required to complete the purchase of the Site within less than one hundred and twenty (120) days after delivery of Lessor's notice or proposed sale agreement as described above. If Lessee gives notice of intent to purchase or signs the proposed sale agreement and then due to no fault of the Lessor, fails to close within the time required, then all of Lessee's rights under this Section 40 shall terminate.

40.2 Right of First Refusal. If Lessor receives from a third party (the "Third Party Offeror") a bona fide offer to purchase the Site, Lessor shall deliver to Lessee written notice (also the "Notice") of the offer and shall provide to Lessee the terms of the offer (the "Offer").

(1) Lessee shall have the prior and preferential right to purchase the Site on the same terms and conditions as are contained in the Offer. Lessee may, within the fifteen (15) day period after delivery of the Notice and Offer, exercise the right to purchase the Site by delivering to Lessor a signed real estate purchase agreement containing the same terms as contained in the Offer, except that if the Offer requires the payment of earnest money then Lessee shall have not less than fifteen days from the date of Lessee delivers its real estate purchase agreement to deposit the earnest money, and Lessee shall not be required to complete the purchase of the Site sooner than one hundred and twenty (120) days after receipt of the Notice and the Offer.

(2) If Lessee delivers a signed real estate purchase agreement and Lessor signs the same, but Lessee fails to deposit the earnest money within the fifteen (15) day period, or if due to no fault of the Lessor, Lessee fails to complete the purchase of the Site within the time described in Lessee's real estate purchase agreement, then the real estate purchase agreement shall terminate and Lessee shall not have any further option or right to purchase the Site under this Section 40. Further, if Lessee fails to perform under the terms of this Section 40.2 (2) Lessor shall be entitled to a sum equal to Fifty (50%) percent of the earnest money within Twenty Four (24) hours after termination.

(3) If Lessee does not elect to purchase the Site pursuant to the terms stated in the Notice and the Offer, then Lessor may accept the subject Offer and pclose the transaction at Lessor's discretion.

40.3 The term of the foregoing Right of First Opportunity and Right of First Refusal commences as of the date of this Lease and terminates on the earlier to occur of (1) the termination of this Lease, (2) consummation of a sale of the Site to a third party pursuant to the terms of this Section 40, or as otherwise stated in this Section 40. Lessee shall cooperate in providing Lessor with any instrument that Lessor reasonably may require for the purposes of removing from the public record any cloud on title to the Site attributable to in any manner to the grant or existence of this right of first refusal.

41 MEMORANDUM OF LEASE. The parties record a memorandum of this Lease and the foregoing Right of First Opportunity and Right of First Refusal in the official records of Deschutes County.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be effective for all purposes as of the Effective Date.

LESSOR:

DATED this _____ day of _____, 2025

BOARD OF COUNTY COMMISSIONERS
OF DESCHUTES COUNTY, OREGON

ANTHONY DEBONE, Chair

PATTI ADAIR, Vice-Chair

Recording Secretary

PHIL CHANG, Commissioner

STATE OF OREGON)
) ss.
County of Deschutes)

Before me, a Notary Public, personally appeared, ANTHONY DEBONE, PATTI ADAIR, and PHIL CHANG the above-named Board of County Commissioners of Deschutes County, Oregon and acknowledged the foregoing instrument on behalf of Deschutes County, Oregon.

DATED this _____ day of _____, 2025

Notary Public for Oregon
My Commission Expires: _____

[SIGNATURE PAGE FOLLOWS]

LESSEE:

DATED this _____ day of _____, 2025

MOUNTAIN VIEW COMMUNITY
DEVELOPMENT, an Oregon nonprofit public
benefit corporation

RICHARD RUSSELL, Executive Director

STATE OF OREGON)
) ss.
County of Deschutes)

Before me, a Notary Public, personally appeared RICHARD RUSSELL, the Executive Director of Mountain View Community Development, an Oregon nonprofit public benefit corporation and acknowledged the foregoing instrument on behalf of Mountain View Community Development, an Oregon nonprofit public benefit corporation.

DATED this _____ day of _____, 2025

Notary Public for Oregon
My Commission Expires: _____

EXHIBIT A

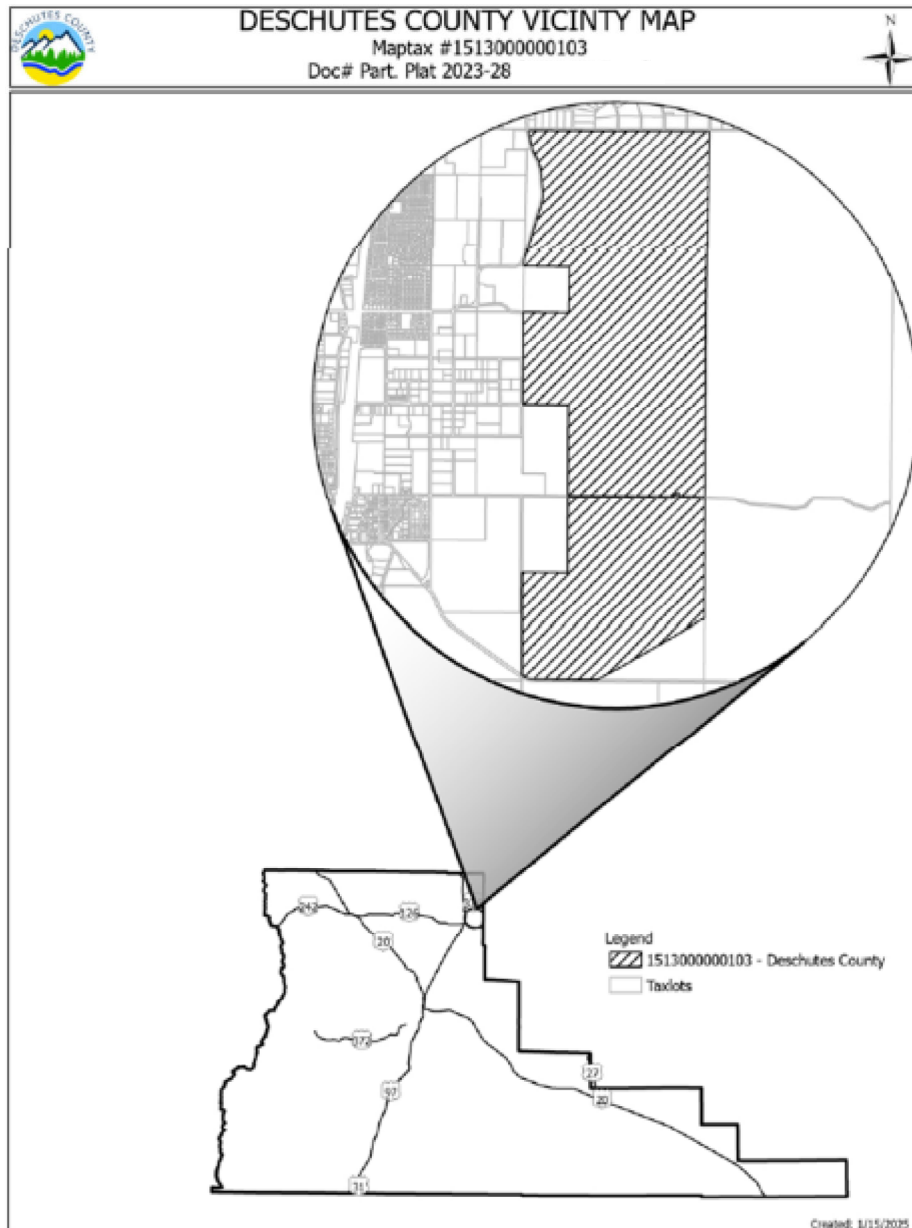


EXHIBIT B1

Site Description

EXHIBIT B1

A portion of Parcel 2 of Partition Plat 2022-17, located in the Southwest One-Quarter of the Southwest One-Quarter of Section 14, Township 15 South, Range 13 East, Willamette Meridian, City of Redmond, Deschutes County, Oregon, being more particularly described as follows:

Commencing at a brass cap at the Southwest corner of said Section 14; Thence along the West line of said Section 14 North $0^{\circ}25'21''$ West 164.84 feet to a $\frac{5}{8}$ " iron rod with a yellow plastic cap marked "HWA" at the Southeast corner of Parcel 3 of Partition Plat 2009-21 and the West line of said Parcel 2 of Partition Plat 2022-17; Thence North $11^{\circ}29'19''$ East 193.80 feet to the **TRUE POINT OF BEGINNING**; Thence parallel with and 40 feet Easterly of said West line of Section 14 North $0^{\circ}25'21''$ West 460.84 feet; Thence North $89^{\circ}34'39''$ East 920.00 feet; Thence on a nontangential curve to the left with a radius of 410.00 feet, a length of 305.68 feet, a central angle of $42^{\circ}43'01''$, and a chord that bears South $21^{\circ}46'52''$ East 298.65 feet; Thence South $58^{\circ}12'47''$ West 276.79 feet; Thence South $89^{\circ}34'39''$ West 344.16 feet; Thence South $44^{\circ}34'39''$ West 54.68 feet; Thence South $89^{\circ}34'49''$ West 409.60 feet to the **TRUE POINT OF BEGINNING**.

The Basis of Bearings is North $0^{\circ}25'21''$ West along the West line of Section 14.

The above described land contains 9.48 acres, more or less.

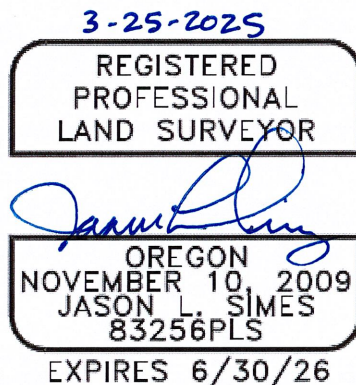
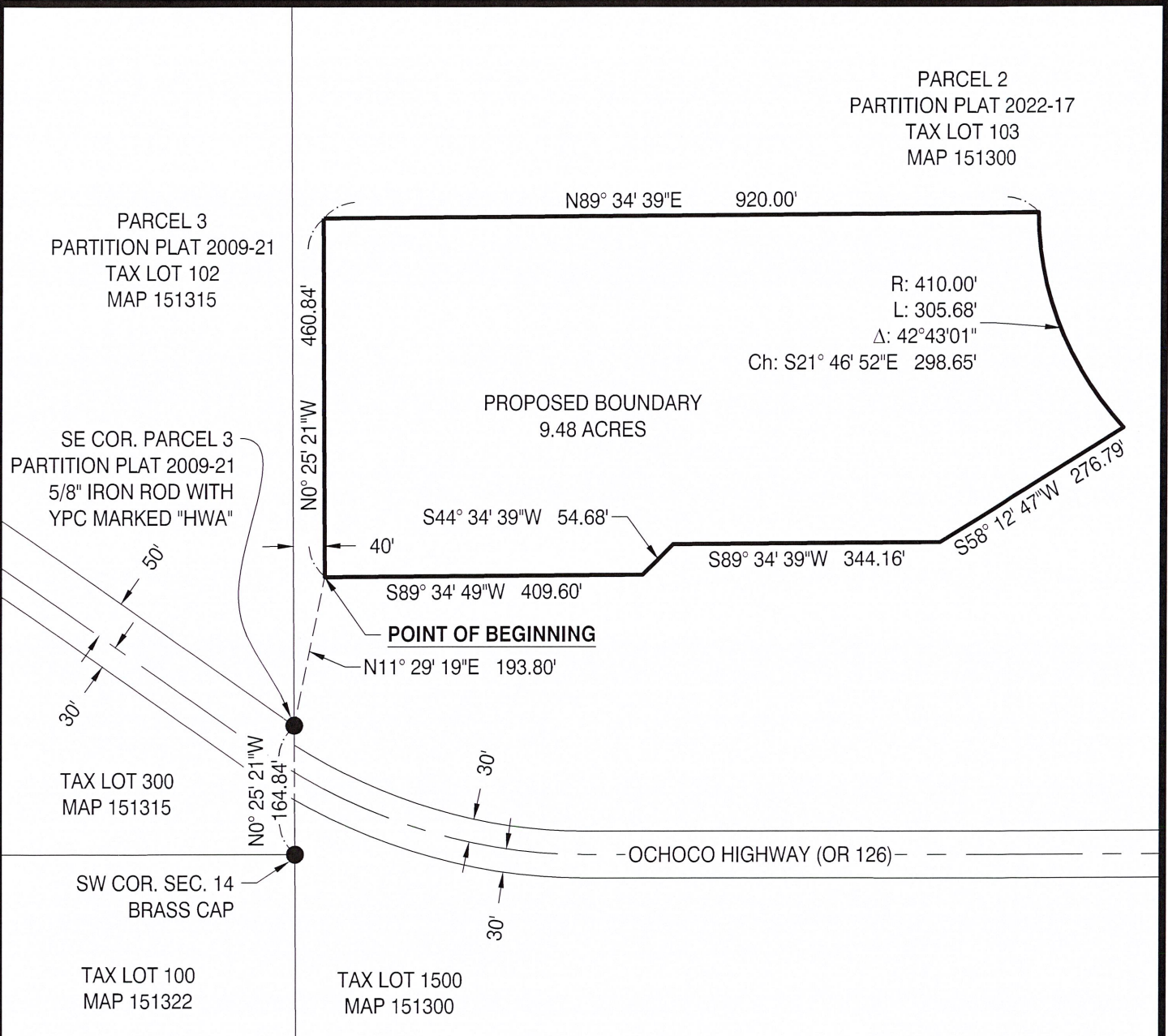


EXHIBIT B2

A PORTION OF PARCEL 2, PARTITION PLAT 2022-17,
LOCATED IN THE SOUTHWEST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER OF
SECTION 14, TOWNSHIP 15 SOUTH, RANGE 13 EAST, WILLAMETTE MERIDIAN,
CITY OF REDMOND, DESCHUTES COUNTY, OREGON.



H.A. McCOY
ENGINEERING & SURVEYING LLC

1180 SW LAKE ROAD SUITE 201
REDMOND, OR 97756
(541) 923-7554

SCALE: 1" = 200'
FOR 8.5"x11" SHEETS

3-25-2025

REGISTERED
PROFESSIONAL
LAND SURVEYOR

Jason L. Simes
OREGON
NOVEMBER 10, 2009
JASON L. SIMES
83256PLS

EXPIRES 6/30/26

PROJECT: EAST REDMOND MASTER PLAN

DRAWN BY: JJW DATE: 03/25/2025 PAGE 1 OF 1 PROJECT#: 22-170

EXHIBIT C1

A portion of Parcel 2 of Partition Plat 2022-17, located in the Southwest One-Quarter of the Southwest One-Quarter of Section 14, Township 15 South, Range 13 East, Willamette Meridian, City of Redmond, Deschutes County, Oregon, being more particularly described as follows:

Commencing at a brass cap at the Southwest corner of said Section 14; Thence along the West line of said Section 14 North $0^{\circ}25'21''$ West 164.84 feet to a $\frac{5}{8}$ " iron rod with a yellow plastic cap marked "HWA" at the Southeast corner of Parcel 3 of Partition Plat 2009-21 and the West line of said Parcel 2 of Partition Plat 2022-17; Thence North $3^{\circ}05'47''$ East 651.70 feet to the **TRUE POINT OF BEGINNING**; Thence parallel with and 40 feet Easterly of said West line of Section 14 North $0^{\circ}25'21''$ West 50.00 feet; Thence North $89^{\circ}34'39''$ East 920.00 feet; Thence South $0^{\circ}25'21''$ East 50.00 feet; Thence South $89^{\circ}34'39''$ West 920.00 feet to the **TRUE POINT OF BEGINNING**.

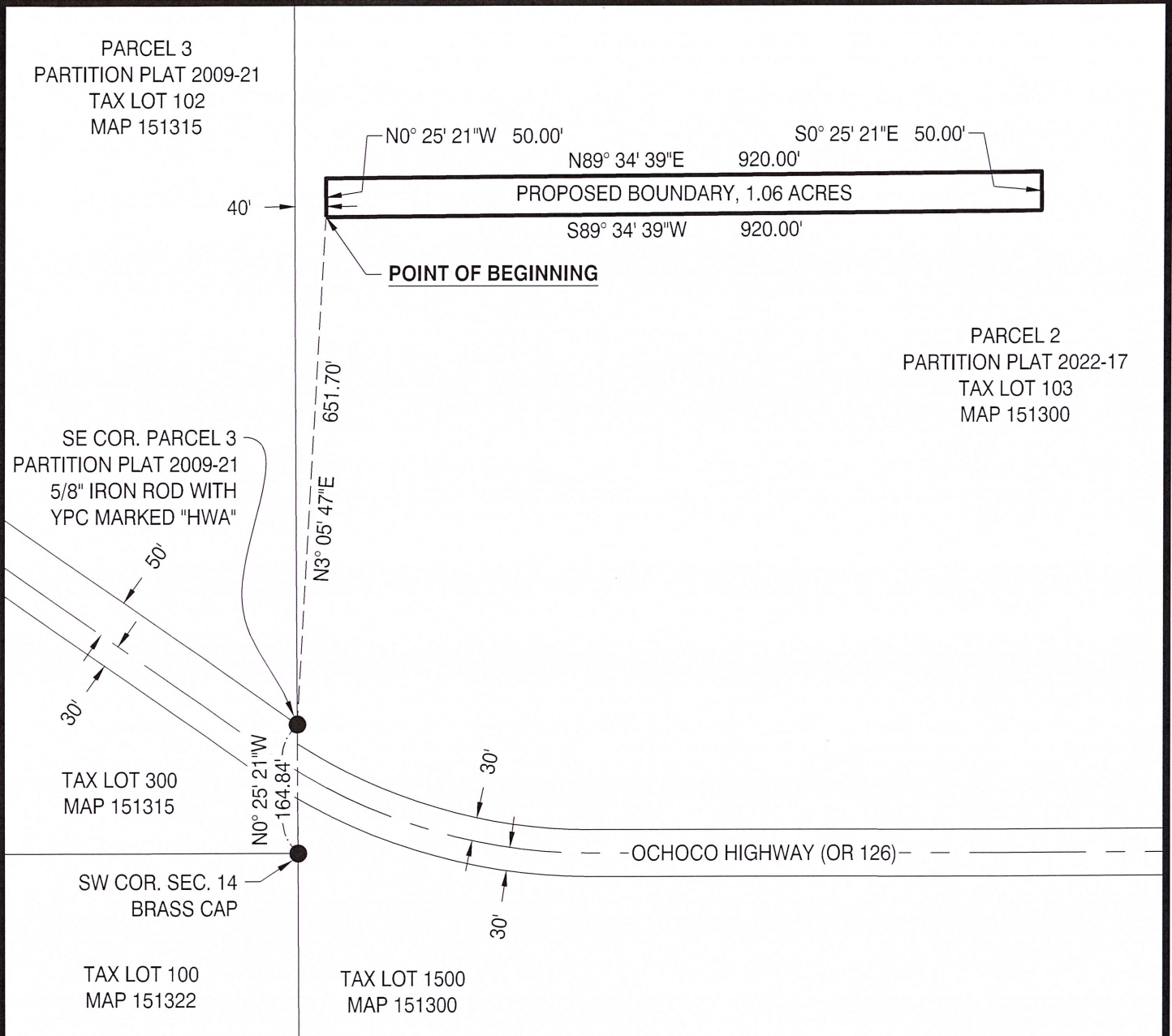
The Basis of Bearings is North $0^{\circ}25'21''$ West along the West line of Section 14.

The above described land contains 1.06 acres, more or less.



EXHIBIT C2

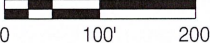
A PORTION OF PARCEL 2, PARTITION PLAT 2022-17,
LOCATED IN THE SOUTHWEST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER OF
SECTION 14, TOWNSHIP 15 SOUTH, RANGE 13 EAST, WILLAMETTE MERIDIAN,
CITY OF REDMOND, DESCHUTES COUNTY, OREGON.



H.A. M^cCOY
ENGINEERING & SURVEYING LLC

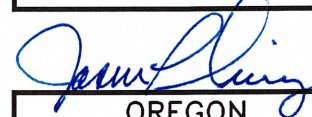
1180 SW LAKE ROAD SUITE 201
REDMOND, OR 97756
(541) 923-7554

SCALE: 1" = 200'
FOR 8.5"x11" SHEETS



3-26-2025

REGISTERED
PROFESSIONAL
LAND SURVEYOR



OREGON
NOVEMBER 10, 2009
JASON L. SIMES
83256PLS

EXPIRES 6/30/26

PROJECT: EAST REDMOND MASTER PLAN

DRAWN BY: JJW DATE: 03/26/2025 PAGE 1 OF 1 PROJECT#: 22-170