

07/29/20 DRAFT
Subject to further negotiation by the Parties

ASSIGNMENT OF LEASE
FOR THE PROVISION OF GOLF COURSE OPERATIONS AT
CITY OF MERIDIAN'S LAKEVIEW MUNICIPAL GOLF COURSE

This ASSIGNMENT OF LEASE entered into by the City of Meridian, an Idaho municipal corporation, ("City") as Lessor and the Western Ada Recreation District, a Recreation District created and organized under Title 31, Chapter 43 of the Idaho Code ("District") as "Lessee".

WITNESSETH, that for and in consideration of the mutual promises, covenants and agreements contained herein, the parties hereby agree as follows:

1. CONSENT TO ASSIGNMENT OF LEASE – CONTINGENT ON SALE OF ASSETS

- A. Provided that transaction contemplated in the Asset Purchase Agreement between Lakeview Meridian Investors LLC and District has closed and District has become the rightful owner of the Assets transferred by said Asset Purchase Agreement, City does provide its contingent consent to the assignment of that certain lease agreement dated May 17, 2005 between City and Lakeview Meridian Investors, LLC, (the Assignor) to Lessee, subject to the amended terms and conditions contained herein.
- B. Any waiver by District of the Seller's Covenants, Representations, Warranties, and agreement to pay Closing Date Indebtedness made in the Asset Purchase Agreement must be approved by City in order for the City's assignment of the Lease to become effective.

2. GRANT OF AUTHORITY; LEASED PREMISES

- A. The City accepts the Lessee as lessee of the Lease at the Lakeview Golf Course and understands that Lessee has all of the rights and obligation of the original lease, except as modified herein.
- B. Lessee acknowledges personal inspection of the golf premises and the surrounding area and evaluation of the extent to which the physical condition thereof will affect the operation of the golf course. Lessee accepts the demised premises in its present condition and agrees to make no demands upon the City for any improvements or alteration thereof.
- C. Ownership of all existing structures, and of all structures, buildings and/or improvements currently located upon the leased premises, and all alterations, additions or betterments thereto (the items included in the Description of Assets in

the Asset Purchase Agreement), shall immediately vest and be vested in City after the term hereof, without compensation being paid therefore. Such structures, buildings and/or improvements shall be surrendered to City with the remainder of the leased premises upon termination of the Lease Agreement. As a condition of this Assignment of Lease, District shall execute all appropriate Bills of Sale and other documentation to effectively transfer title of all WARD Leasehold Assets to City upon termination of the Lease Agreement.

3. TERM

- A. As additional consideration for City’s granting of this Assignment of Lease, the term of the assigned Lease agreement shall be from the effective date of the assignment until September 30, 2023 unless earlier terminated at the option of District.
- B. The Lessee DOES NOT have the option of renewing the Lease agreement beyond the term ending September 30, 2023.

4. PAYMENT OF RENT

In consideration of Lessee’s purchase of the golf course leasehold assets and the benefit provided to the public, which consists largely of the same taxpayer base as the City, Lessee shall not be required to pay any periodic rent payments to City.

5. INCORPORATION OF TERMS

All terms and conditions of the May 17, 2005 Lease agreement and any addenda thereto that are not inconsistent with the terms of this Assignment of Lease shall remain in effect and are incorporated herein by this reference.

IN WITNESS WHEREOF, the parties hereto have subscribed their names this ____ day of August 2020.

WESTERN ADA RECREATION DISTRICT:

By: _____
Shaun Wardle, Board President

CITY OF MERIDIAN

By: _____
Robert E. Simison, Mayor

Attest:

Chris Johnson, City Clerk