ADDENDUM TO LEASE

WITNESSETH:

WHEREAS, LESSOR and LESSEE entered into a Lease on August 1, 1993, a copy of which is attached hereto and by this reference incorporated herein; and

WHEREAS, according to Paragraph 3 "Adjustment of Rental", it states " After the fifth year, the Lessor shall have the right to increase rental rates for one or more years effective at the beginning of the fifth, tenth, fifteenth and twentieth year of this lease";

NOW, THEREFORE, IT IS HEREBY AGREED by and between the parties to a change in rental rates and contract terms as follows:

1) "Paragraph #2 - Rent" - Rental Rates for 8/01/13 thru 7/31/18 Term - will read as follows.

<u>8/01/13-7/31/18 Term</u>	Rental Rate (\$.09 per Sq Ft)	Leasehold Tax	Total Per Year
8/01/13 - 7/31/14	\$ 445.75	<u>\$ 57.23</u>	\$ 502.98
8/01/14 - 7/31/15	<u>\$ 445.75</u>	<u>\$ 57.23</u>	<u>\$ 502.98</u>
8/01/15 - 7/31/16	\$ 445.7 <u>5</u>	\$ 57.23	\$ 502.98
8/01/16 - 7/31/17	\$ 445.7 <u>5</u>	\$ 57.2 <u>3</u>	\$ 502.98
8/01/17 - 7/31/18	<u>\$ 445.75</u>	<u>\$ 57.23</u>	\$ 502.98
8/01/18	<u>Renegotiate</u>	Renegotiate	Renegotiate

2) "Paragraph #5 – Fire Protection Assessment" – will read as follows:

In addition to any rental herein provided, the Lessee shall pay a fee *which shall be in lieu of taxes for fire protection services*. The annual rate shall be based upon the annual fire assessment determined by the Kittitas County Assessor and Kittitas Valley Fire & Rescue to be calculated on January 1st of the current year. The assessment shall be due and payable concurrently with the lease payment or through Personal Property Taxes.

All other terms and conditions of the aforementioned lease shall remain the same

IN WITNESS WHEREOF, the Lessor and Lessee have signed their names and affixed their seals the day and year first above written.

Clerk of the Board	BOARD OF COUNTY COMMISSIONERS KITTITAS COUNTY, WASHINGTON Obie O'Brien, Chairperson
Approved as to Form: Prosecuting Attorney WSBA #	Paul Jewell, Vice-Chair Bell Gary Berndt Commissioner
	LESSEE: Jack Clerf





THIS ADDENDUM TO LEASE is made and dated this <u>I graday</u> of <u>August</u> 2008, by and between Kittitas County, a municipal corporation in the State of Washington, hereinafter referred to as the LESSOR, and JACK CLERF, and hereinafter referred to as the LESSEE.

WITNESSETH:

WHEREAS, LESSOR and LESSEE entered into a Lease on August 1, 1993, a copy of which is attached hereto and by this reference incorporated herein; and

WHEREAS, according to Paragraph 3 "Adjustment of Rental", it states "After the fifth year, the Lessor shall have the right to increase rental rates for one or more years effective at the beginning of the fifth, tenth, fifteenth and twentieth year of this lease";

NOW, THEREFORE, IT IS HEREBY AGREED by and between the parties to a change in rental rates and contract terms as follows:

1) "Paragraph #2 - Rent" - Rental Rates for 8/01/08 thru 7/31/13 Term - will read as follows.

8/01/08-7/31/13 Term	Rental Rate (\$.09 per Sq Ft)	Leasehold Tax	Total Per Year
8/01/08 - 7/31/09	\$ 436.06	<u>\$ 55.99</u>	\$ 492.05
8/01/09 - 7/31/10	\$ 436,06	\$ 55.99	\$ 492.05
8/01/10 - 7/31/11	\$ 436.06	\$ 55.99	\$ 492.05
8/01/11 - 7/31/12	\$ 436.0 <u>6</u>	\$ 55.99	\$ 492.05
8/01/12 - 7/31/13	\$ 436.06	\$ 55.99	\$ 492.05
8/01/13	Renegotiate	Renegotiate	Renegotiate

2) "Paragraph #5 – Fire Protection Assessment" – will read as follows:

In addition to any rental herein provided, the Lessee shall pay a fee which shall be in lieu of taxes for fire protection services. The annual rate shall be based upon the annual fire assessment determined by the Kittitas County Assessor and Kittitas Valley Fire & Rescue to be calculated on January 1st of the current year. The assessment shall be due and payable concurrently with the lease payment or through Personal Property Taxes.

All other terms and conditions of the aforementioned lease shall remain the same

IN WITNESS WHEREOF, the Lessor and Lessee have signed their names and affixed their seals the day and year first above written.

SEAL SATTEST: 6

LESSOR:

BOARD OF COUNTY COMMISSIONERS KITTITAS COUNTY, WASHINGTON

OPPOSED

Mark McClain, Chairperson

Approved as to Form:

Prosecuting Attorney

WSBA# 31759

Alan Crankovich, Vice-Chair

Linda K. Huber, Commissioner

LESSEE

Jack Clerf

LEASE

THIS LEASE made and dated this lead of August, 1993, is by and between the COUNTY OF KITTITAS, Washington, the Lessor hereinafter referred to as the "County", and JACK CLERF, the Lessee, hereinafter referred to as the "Lessee".

The County herewith agrees to let unto Lessee and Lessee herewith agrees to lease from the County the following described real property, situated in Kittitas County, Washington, to-wit:

That portion of the SE 1/4 SE 1/4, Section 24, Township 18 North, Range 18 East, W.M., Kittitas County, State of Washington, described as follows:

Beginning at the intersection of centerline of Bowers Road with the centerline of Cessna Road thence North 01°47′30" W along the centerline of Cessna Road, 124.00 feet; thence North 88°12′30" E, 30.00 feet to the true point of beginning; thence continuing North 88°12′30" E, 54.44 feet; thence North 01°47′30" W, 89.00 feet; thence South 88°12′30" W, 54.44 feet; thence South 01°47′30" E, 89.00 feet to the true point of beginning.

4,845.16 Sq. Ft = 0.11 acres

This lease is made in accordance with the provisions of RCW 36.34.

<u>TERM</u>. The term of this lease shall commence on the 1st day of August, 1993, and shall terminate on the 31st day of July, 2018.

RENT. Rent shall be paid in advance on an annual basis and the rental shall be:

First year	\$245.00	63
Second year	\$260.00	94
Third year	\$275.00	n 5
Fourth year	\$290.00	90
Fifth year	\$305.00	97

ADJUSTMENT OF RENTAL. After the fifth year, the Lessor shall have the right to increase the rent on or before July 31st of the fifth, tenth, fifteenth and twentieth year of this lease for each following five year period. If the Lessee does not agree with the rental, the Lessee may request arbitration. If the Lessee elects to arbitrate, the Lessee shall select one arbitrator and the Lessor shall select one arbitrator and the two so chosen shall select a third arbitrator. The arbitrators shall have the authority to increase the rent or continue the previous rental and both parties shall be bound by the decision of the arbitrators. The cost of arbitration shall be borne by the Lessee.

LEASEHOLD TAX. The Lessee shall pay to the Lessor, the leasehold tax as set forth by the State of Washington, in Chapter 61, Laws of 1976, Second Executive Session (RCW 82.29A) or as amended. The tax shall be due and payable at the same time the rental charged herein is due and payable.

FIRE PROTECTION ASSESSMENT. In addition to any rental herein provided, the Lessee shall pay a fee which shall be in lieu of taxes for fire protection services, a sum equal to \$1.00 (plus any special levies of the Fire District which has received voter approval) per \$1,000.00 of appraised value of land and improvements of the leased premises. The value of the leased premises shall be determined by the Kittitas County Assessor. This fee shall be due annually each and every year during the term and shall be due and payable on the 1st day of March of each year. In the event the premises are leased for only a portion of a year, the amount shall be prorated. Any rental payment and any fees paid in lieu of fire protection services which are past due shall accrue a delinquency fee of eighteen percent (18%) per annum.

<u>UTILITIES</u>. The Lessee shall pay for all utility services supplied to the premises.

<u>PURPOSE</u>. The Lessee shall utilize the premises only for the purpose of an aircraft hanger for non-commercial aircraft maintenance.

ASSIGNMENT. The Lessee shall not assign this lease nor sublet any portion thereof without first obtaining the written consent of the Lessor.

RULES AND REGULATIONS: The Lessee agrees to comply with all pertinent rules and regulations of the federal, state and local governments, as well as the rules, regulations, ordinances, and minimum standards of the Kittitas County Airport

(Bowers Field), as are presently in effect and may in the future be adopted. The rules, regulations, ordinances and minimum standards of the Kittitas County Airport (Bowers Field) are made a part of this Lease and shall have the same effect as though written herein, and may be inspected in the office of the Department of Public Works, Kittitas County Courthouse.

<u>HOLD HARMLESS</u>. The Lessee hereby indemnifies and agrees to hold harmless the Lessor from any and all claims or demands whatsoever arising out of any loss, damage, or injury to persons or property resulting from the Lessee's use or occupancy of the leased premises, or caused by the acts or neglect of the Lessee, his agents or employees.

AREA MAINTENANCE. Lessee shall, during the term of this lease, maintain the area between the building and boundary line of said lease to the satisfaction of the Airport Manager. The area shall be kept free of all debris, weeds and brush for the term of this lease. Lessee shall be responsible for reimbursement to the Kittitas County Weed Authority or Kittitas County Department of Public Works in the event that the County Weed Authority or airport authority undertakes noxious weed control measures.

INSURANCE. The Lessee shall obtain and maintain in force during the term of this Lease a liability insurance policy, which provides protection for bodily injury (including death) and property damage. Said insurance shall provide coverage by the Lessee to any employees or permittees of the Lessee.

Liability insurance policy shall be as follows:

- 1. Premises liability coverage in an amount not less than \$100,000 bodily injury; \$300,000 property damage; \$300,000 each occurrence.
- 2. Provide for not less than thirty (30) days in advance a written notice to Kittitas County regarding any material change or termination of the policy.

Lessor hereby releases Lessee of and from every and all right, claim and demand that Lessor may hereafter have against Lessee, its successors or assigns,

arising out of or in connection with any loss or losses occasioned by fire and such items as are included under the normal extended coverage clauses of insurance policies, and does hereby waive all rights of subrogation in favor of insurance carriers against Lessee arising out of any losses occasioned by fire and such items as are included under the normal extended coverage clauses of fire insurance policies, and sustained by Lessor in or to the premises. Lessee hereby releases Lessor from any and every right, claim and demand that Lessee may hereafter have against Lessor, his successors or assigns arising out of or in connection with any loss or losses occasioned by fire and such items as are included under the normal extended coverage clauses of fire insurance policies, and does hereby waive all rights of subrogation in favor of insurance carriers against Lessor arising out of any losses occasioned by fire and such items as are included under the usual extended coverage clauses of fire insurance policies and sustained by Lessee to its trade fixtures, equipment, and other personal property in the demised premises.

REMOVAL OF BUILDING. The Lessee's predecessor in interest has constructed an airplane hangar on the premises and the parties agree that at the end of the term, the Lessee shall have the option of removing the building from the premises. In the event the Lessee exercises such option, the building shall be removed within thirty (30) days of the termination of this lease and upon giving the Lessor notice in writing prior to the termination of the Lessee's intent to remove such building. In the event notice is not given or that the Lessee shall fail to remove within the time limit, the building shall become the property of the Lessor.

CONSTRUCTION. The Lessee shall have the right during the term to construct and maintain a concrete apron between the present structure on the premises and the existing concrete apron. Prior to construction, the Lessee shall submit a written plan and specifications for the construction work and said apron shall not be constructed without said plans having first been approved, in writing by the Lessor's Director of Public Works.

RIGHTS OF THE U.S. GOVERNMENT: The Lessor holds title to the property herein leased, partially by virtue of a deed from the United States Government. A copy of said deed is available for inspection at the office of the Kittitas County Department of Public Works, hereto and made a part of this instrument as though fully set forth herein. Lessee agrees that it will do nothing which will cause the Lessor to be in violation of the terms of said deed. Lessee furthermore agrees that it has had ample opportunity to review said deed and is aware of all of the terms and conditions therein.

DEFAULT. That the time and manner of payment by Lessee of said rent as herein agreed, and the strict performance by Lessee of the terms, conditions and covenants herein contained, are hereby made of the strict essence of this Lease, and if default shall be made in payment of rent hereinabove specified to be paid, or any part thereof, or if default shall be made in any of the covenants, promises or agreements herein contained to be kept by Lessee, it shall be lawful for said Lessor, at its election so to do, to re-enter the said demised premises, or any part thereof, upon giving Lessee thirty (30) days written notice of its intention so to do. If said Lessor takes possession of said premises and relets the same, such reletting shall not operate as termination of this lease unless said Lessor so elects, such election to be evidenced by written notice to Lessee. All the foregoing remedies are cumulative and are given without impairing any other rights or remedies of said Lessor.

NOTICES. Any notice given by one party to the other in connection with this agreement shall be in writing and shall be sent by certified or registered mail, return receipt requested, as follows:

- If to Lessor, addressed to: Kittitas County Department of Public Works, 205 West 5th, Room 108, Ellensburg, WA 98926, Attention: Airport Manager.
- 2. If to Lessee, addressed to: Jack Clerf, P.O. Box 635, Kittitas, WA 98934.

Notice shall be deemed to have been received on the date of receipt as shown on the return receipt.

ATTORNEY FEES. In case Lessor shall bring suit to recover any rent due hereunder, or for breach of any provision of this lease, or to recover possession of the leased premises, or if Lessee shall bring any action for any relief against Lessor, declaratory or otherwise, arising out of this lease, the prevailing party shall recover reasonable attorney's fees which shall be determined and taxed by the court as part of the costs of such action. That all covenants, agreements, terms and conditions contained in this lease shall apply to and be binding upon Lessor and Lessee and their respective heirs, executors, administrators, successors and assigns.

<u>VENUE</u>. In the event there is any litigation between lessor and lessee arising out of this lease, the venue for such action shall lie in Kittitas County, notwithstanding any contrary provision of the Revised Code of Washington.

IN WITNESS WHEREOF, the Lessor and Lessee have signed their names and affixed their seals the day and year first above written.

LESSOR

BOARD OF COUNTY COMMISSIONERS

Ray Owens Chairperson

Mary Seubert, Vice-Chairperson

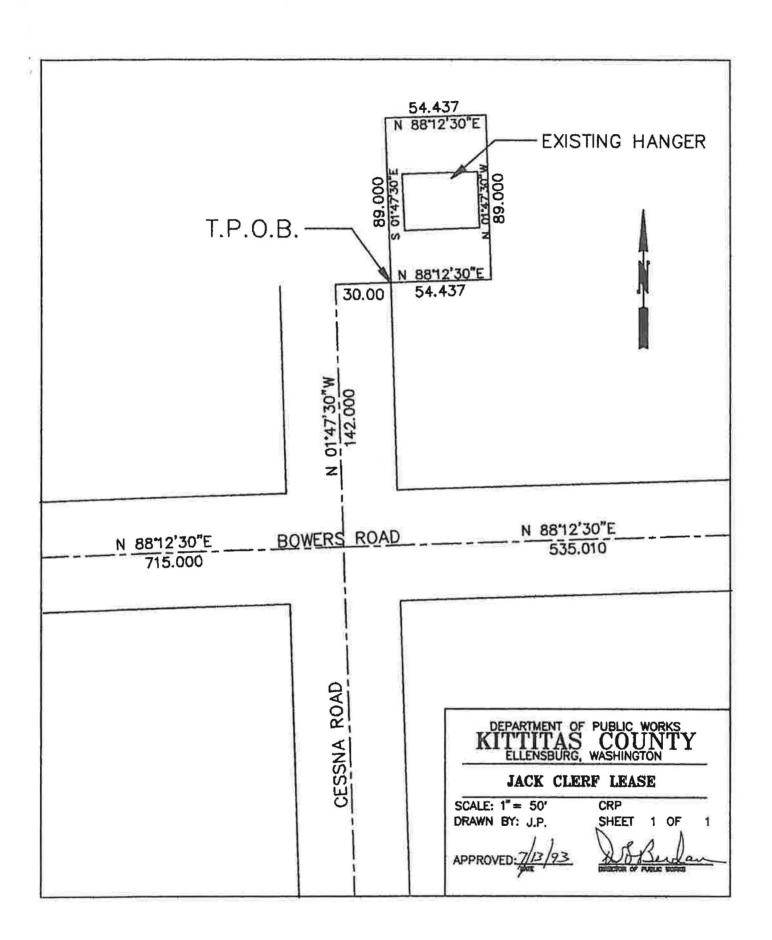
Don Sorenson, Commissioner

PAGE 6

LESSEE

Prosecuting Attorney

968 - 3886 Telephone Number





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