

## GROUND LEASE

**LESSOR:** \_\_\_\_\_ (Name of Parish Corporation) (“Lessor”);

**LESSEE:** \_\_\_\_\_ (“Lessee”).

### **1. PREMISES**

The premises, known as \_\_\_\_\_ are located at \_\_\_\_\_, Oregon \_\_\_\_\_ and are further described on Exhibit A annexed hereto.

### **2. TERM**

The term of this lease shall commence \_\_\_\_\_, and continue through \_\_\_\_\_.

### **3. RENT**

3.1 Lessee shall pay Lessor the sum of \_\_\_\_\_ dollars (\$\_\_\_\_\_) per month during the lease term.

3.2 Lessee shall pay as additional rent all taxes (if any), insurance costs, utility charges and other sums Lessee is required to pay under this lease.

3.3 Rent shall be payable to Lessor on the first day of each month in advance at the place stated in paragraph 25.1 of this agreement.

### **4. USE OF PREMISES**

4.1 Lessee shall use the premises for the following purpose: \_\_\_\_\_ and for no other purpose whatsoever without Lessor’s prior written consent.

4.2 Lessee will not make any unlawful, improper or offensive use of the premises. Lessee will not permit any objectionable noise or odor to escape or to be emitted from the premises. Lessee shall regularly occupy and use the premises for the purpose stated in paragraph 4.1 above and shall not abandon or vacate the premises for more than ten days without Lessor’s prior written consent.

4.3 Lessee will refrain from any use which would be reasonably offensive to other tenants or owners or users of neighboring premises or which would tend to create a nuisance or damage the reputation of the premises.

4.4 Lessee will not sell or permit to be sold any product, substance or service upon or about the premises, except as Lessee may be licensed by law to sell and as may be expressly permitted herein.

4.5 Lessee will not allow any fire or other hazard to exist on the premises, or any condition which would make it impossible to insure the premises against casualty, or would increase the insurance rate. Lessee will not install any power machinery on the premises without Lessor's written consent. Lessee will not store gasoline or other highly combustible materials on the premises at any time.

## **5. REPAIRS, MAINTENANCE AND IMPROVEMENTS**

5.1 Lessee shall be responsible for completion and payment of premises repairs and maintenance.

5.2 Lessor shall have the right at Lessor's own cost to alter, repair, improve or add to the premises, and for that purpose at any time may erect scaffolding and all other necessary structures on the premises. Lessor and Lessor's representatives, contractors and workers may enter the premises for that purpose with such materials as Lessor may deem necessary. Lessee waives any claim to abatement of rent or damages, including loss of business resulting therefrom.

5.3 Lessor shall not be required to make any repairs, alterations, additions or improvements to the premises during the term of this lease, except those specifically provided for in this lease.

5.4 Lessee will make no alterations, additions or improvements to the premises without Lessor's prior written consent. All such permitted alterations, additions or improvements shall be made in a good and workmanlike manner by licensed contractors, shall be in compliance with applicable law and building codes, and shall be the property of Lessor.

5.5 If Lessee fails or refuses to make repairs that are required by this Section 5, Lessor may make the repairs and charge the actual cost of repairs to Lessee. Lessee shall reimburse such expenditures by Lessor on demand.

## **6. DEBRIS**

Lessee shall keep the premises free and clear of rubbish, debris and obstruction.

## **7. LESSOR'S RIGHT OF ENTRY**

Lessor, Lessor's agents and representatives may, at any reasonable time, enter the premises for the purpose of examining the condition of the premises, or for any other lawful purpose.

## 8. ASSIGNMENT and SUBLETTING

Lessee will not sell, assign, sublet, mortgage, or in any other manner transfer this lease or any interest in this lease without Lessor's prior written consent.

## 9. LIENS

9.1 Lessee will not permit any lien of any kind, type or description to be placed or imposed upon any part of the land or improvements in which the premises are situated.

9.2 If Lessee fails to pay any claims for work done on and for services rendered or material furnished to the premises, Lessor may do so and collect the costs as additional rent. Such action shall not constitute a waiver of any right or remedy which Lessor may have on account of Lessee's default.

9.3 Right to Contest a Lien. If any lien is filed against the premises due to Lessee's activities, Lessee shall have the right to contest such lien at Lessee's sole cost and expense, as long as Lessee defends the action on the lien in good faith in with due diligence. Lessee shall keep Lessor informed of any such proceedings.

## 10. ADVERTISING SIGNS

Lessee shall not allow signs or devices of any kind to be attached or suspended from the premises for advertising or displaying the name or business of Lessee or for any purpose whatsoever without Lessor's prior written consent.

## 11. INSURANCE AND INDEMNITY

11.1 Insurance. During the term of this agreement Lessee shall maintain in force at its own expense, each applicable insurance as indicated below. **No waiver of any insurance required under this lease shall be effective without the prior written authorization of the Risk Management Office of the Archdiocese of Portland in Oregon.**

A. Workers' compensation. Lessee shall provide evidence of insurance in compliance with ORS 656.017, which requires subject employers to provide Oregon workers' compensation coverage for all their subject workers and employer's liability insurance.

B. Liability insurance. Lessee shall provide evidence of comprehensive general liability insurance with a combined single limit per occurrence of not less than \$1,000,000 each occurrence for bodily injury and property damage, and professional liability insurance, if licensed or other professional services are to be provided. If any services or activities involving minors are provided, evidence of sexual misconduct insurance in an amount not less than \$1,000,000 must also be provided. Evidence of comprehensive automobile liability insurance shall also

be provided when Lessee will operate, maintain, load or unload any vehicle(s) on the premises.

C. Personal property insurance. Lessee shall insure all of Lessee's belongings upon the premises.

D. Notice of cancellation or change. There shall be no cancellation, material change, reduction of limits or intent not to renew the insurance coverage(s) without 10 days prior written notice from Lessee or its insurer(s) to Lessor.

E. Certificates of insurance. As evidence of the liability insurance coverages required by this lease, Lessee shall furnish insurance certificates and endorsement(s) acceptable to Lessor prior to Lessor's execution of this lease and at any expiration of such coverages for the duration of this lease. The endorsement(s) shall name the Lessor and the Archdiocese of Portland in Oregon, their officers, employees, agents and volunteers as additional insureds, but only with respect to Lessee's use of the premises. The endorsement(s) also shall state that the insurance is primary and not contributing with any insurance or self-insurance of the Lessor and Archdiocese of Portland in Oregon. Lessee shall be financially responsible for all pertinent deductibles, self-insured retentions and/or self-insurance. Failure to timely provide the evidence of insurance required by this lease may result in a penalty of \$100.00 per month in addition to base rent, and may also result in a declaration of default under this lease.

11.2 Indemnity. Lessee shall indemnify, defend and hold harmless Lessor and the Archdiocese of Portland in Oregon, their officers, employees and agents, from and against any and all claims, losses, liabilities, damages, costs, actions or expenses (including attorney fees) arising out of or related to any activity of Lessee on the premises or any condition of the premises in the possession of or under the control of Lessee, as well as those arising from Lessee's failure to comply with any covenant of this lease. Lessor shall have no liability to Lessee for any loss or damage caused by third parties or by any condition of the premises, except to the extent the same is the result of Lessor's own gross negligence or willful failure to effect any repair or maintenance which is the responsibility of Lessor under this lease.

## **12. BACKGROUND CHECKS**

If Lessee uses the premises for any services or activities involving minors, Lessee warrants that any person involved in providing such services or activities will be appropriately background checked and determined to be suitable for such involvement with minors.

### **13. FIXTURES**

All partitions, plumbing, electrical wiring, additions to or improvements upon the premises, whether installed by Lessor or Lessee, shall become a part of the premises as soon as installed and be the property of Lessor unless otherwise herein provided.

### **14. LIGHT AND AIR**

This lease does not grant any rights of access to light and air over the premises or any adjacent property.

### **15. DAMAGE BY CASUALTY OR FIRE AND DUTY TO REPAIR**

In the event of the total damage or destruction of the premises or of the improvements in which the premises are located by fire or other casualty, either party may terminate this lease as of the date of fire or casualty. In the event damage or destruction to the premises or the improvements in which the premises are located by fire or other casualty is less than total, but the cost of repairs would exceed ten percent or more of the replacement value of the premises or such improvements before the casualty (as determined by Lessor), then Lessor may or may not elect to repair such damage. Written notice of Lessor's election shall be given to Lessee within fifteen days after the occurrence of the casualty. If notice is not given, Lessor shall be deemed to have elected not to repair. In the event Lessor elects not to repair, then this lease shall terminate as of the date of the damage. If either the premises or the improvements in which the premises are located are partially destroyed, but the damage does not amount to the extent indicated above, or if greater than indicated above and Lessor elects to repair, then this lease shall not terminate, and Lessor shall repair the damage and shall have the right to take possession and occupy, to the exclusion of Lessee, all or any part of the premises thereof to make the necessary repairs. Lessee agrees to vacate upon request all or any part of the premises which Lessor may require for the purpose of making necessary repairs. For the period of time from the day of the casualty and until repairs have been completed, there shall be an abatement of rent as the nature of the injury or damage and its interference with the occupancy of the premises by Lessee shall warrant in Lessor's reasonable judgment. Lessee's occupancy and full rent shall resume immediately upon Lessor's completion of the repairs. However, if the premises are slightly injured and the damage shall not cause any material interference with the occupation of the premises by Lessee, then Lessor shall repair the damage and there shall be no abatement of rent.

### **16. EMINENT DOMAIN**

16.1 If Lessor receives written notice of a condemnation proceeding or of any action in lieu thereof, Lessor shall promptly notify Lessee. Unless all or any substantial part of the premises is condemned or purchased by any public or private entity, the lease shall continue, and Lessor shall be entitled to all of the proceeds of condemnation, and Lessee shall have no claims thereto.

16.2 If all or any substantial part of the premises are condemned or purchased by any public or private entity with the power of condemnation, this lease may be terminated on written notice from the Lessor to the Lessee. In that instance, Lessee shall not be liable for any rent after the termination date. Lessee shall not be entitled to and expressly waives any right to any part of the condemnation award or purchase price, or other claims against Lessor as a result of the condemnation.

## **17. FOR SALE AND FOR LEASE SIGNS**

17.1 During the period of 60 days prior to the date fixed for the termination of this lease, Lessor may post signs on the premises notifying the public that the premises are "for lease."

17.2 Lessor may at anytime post signs on the premises that the premises are "for sale".

## **18. DELIVERING UP PREMISES ON TERMINATION**

18.1 At the expiration of the lease term or upon any sooner termination, Lessee will peaceably and quietly quit and deliver up the premises and all future erections or additions to or upon the premises broom-clean and in as good order and condition as received, reasonable use and wear excepted.

18.2 Lessee will upon expiration or termination of this lease remove all Lessee's personal property and trade fixtures. Lessor may claim and remove at Lessee's expense all of such items left behind, and the provisions of Section 20.4 shall apply.

## **19. TAX EXEMPTION**

19.1 If Lessee is a tax-exempt organization, then the parties acknowledge that they have been granted exemptions or the right to claim exemptions from taxation for their property. The parties further acknowledge that the real property under this lease is intended to be exempt from taxation so long as the leased premises are used by Lessee in the manner required by law for the exemption from taxation of property owned or being purchased by Lessee. Lessor shall cooperate with Lessee in this regard. Lessee shall file any documents which may be required to obtain or continue exemption from taxation for the leased premises. If Lessee is not a tax-exempt organization, then Lessee acknowledges that Lessor is a non-profit corporation and that the subject property is exempt from real and personal property taxes. The parties further acknowledge that the rent payable by Lessee under this lease has been established to reflect the savings resulting from the exemption from taxation.

19.2 In the event any taxes, assessments or other public charges are levied against the premises by reason of the occupancy, use or possession of said premises by Lessee, all of which are collectively referred to as "taxes", Lessee shall pay, as additional rent and before delinquency, all such taxes. Upon receipt, Lessor shall

forward to Lessee for timely payment, any invoice for such taxes. Lessee shall furnish to Lessor official receipts of the appropriate taxing authority or other proof satisfactory to Lessor evidencing that such payment has been made. Taxes for the years in which this lease commences or terminates shall be prorated based upon the portion of the tax year during which this lease was in effect. In the event Lessee shall desire to contest in good faith any assessment or tax, Lessee, at its sole cost and expense, may file all such protests or other instruments and institute and prosecute proceedings for the purpose of such contest. Lessee shall pay such protested taxes when due despite such protest if such payment is necessary to avoid a lien upon the premises. Lessee shall timely furnish to Lessor copies of all correspondence and documents pertaining to any proceedings contesting any tax. Lessee shall, if required by Lessor, furnish to Lessor reasonable indemnity against any loss by reason of such contest. If any special assessment is permitted by law to be bonded and paid in installments, Lessee may follow this procedure and in such case shall pay all said installments as the same become due; provided however, any amount owing for said special assessment upon termination of this lease shall be paid by Lessee immediately upon termination.

## **20. DEFAULT/BANKRUPTCY**

20.1 If Lessee shall be in arrears in the payment of rent for a period of ten days, or if Lessee shall fail or neglect to perform or observe any of the covenants and agreements contained in this lease on Lessee's part and default shall continue for ten days or more after written notice of such failure or neglect is given to Lessee, or if Lessee shall be declared bankrupt or insolvent according to law, or if any assignment of Lessee's property shall be made for the benefit of creditors, or if on the expiration of this lease Lessee fails to surrender possession of the premises, Lessor may terminate this lease and, lawfully, at Lessor's option immediately without demand or notice, enter the premises and repossess and expel Lessee and remove Lessee's effects at Lessee's expense, forcibly if necessary and store the same, all without being deemed guilty of trespass and without prejudice to any remedy which might be used for arrears of rent preceding breach of covenant.

20.2 Neither the termination of this lease by forfeiture nor the taking or recovery of possession of the premises shall deprive Lessor of any other action, right, or remedy against Lessee for possession, rent or damages, nor shall any omission by Lessor to enforce any forfeiture, right or remedy to which Lessor may be entitled be deemed a waiver by Lessor of the right to enforce the performance of all terms and conditions of this lease by Lessee.

20.3 In the event of any re-entry by Lessor, Lessor may lease or relet the premises in whole or in part to any tenant or tenants who may be satisfactory to Lessor, for any duration, and for the best rent, terms and conditions as Lessor may reasonably obtain. Lessor shall apply the rent received from any such tenant first to the cost of retaking and reletting the premises, including remodeling required to obtain any such tenant, and then to any arrears of rent and future rent payable under this lease and any other damages to which Lessor may be entitled.

20.4 Any property that Lessee leaves on the premises after abandonment or expiration of the lease, or for more than ten days after any termination of the lease by Lessor, shall be deemed to have been abandoned. Lessor may remove and sell the property at public or private sale as Lessor sees fit, without being liable for any prosecution or damages. The net proceeds of any such sale shall be applied toward the expenses of Lessor and rent, and the balance of such amounts, if any, shall be held for and paid to Lessee.

20.5 Should Lessee be or become the debtor in any bankruptcy proceeding, voluntarily, involuntarily or otherwise, either during the period this lease is in effect or while there exists any outstanding obligation of Lessee, Lessee agrees to pay Lessor's reasonable attorney fees and costs which Lessor may incur as the result of Lessor's participation in such bankruptcy proceedings.

## **21. LEASE TERMINATION**

Notwithstanding any provision of this lease to the contrary, Lessor reserves the right, in its sole and absolute discretion, and independent of whether or not Lessee may or may not be in default of this lease, to terminate this lease at any time by providing \_\_\_\_\_ days advance written notice to Lessee of such termination.

## **22. HOLDING OVER**

If Lessee for any reason shall hold over after the expiration of this lease, such holding over shall not be deemed to operate as a renewal or extension of this lease, but Lessor shall have the option (a) to treat Lessee as a tenant from month to month, subject to all of the provisions of this lease, which may be terminated at will at any time by Lessor on written notice given not less than 10 days prior to the termination date which shall be specified in the notice (Lessee waiving any other notice as would otherwise be provided by law with respect to a month-to-month tenancy) or (b) to eject Lessee from the premises and recover damages for wrongful holdover.

## **23. NONWAIVER**

Waiver by either party of strict performance of any provision of this lease 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. ATTORNEY FEES**

If suit or action is instituted to enforce compliance with any provision or covenant of this lease, the prevailing party shall be entitled to recover, in addition to costs, such sums as the court may adjudge reasonable as attorney fees at trial and on any appeal or review therefrom. Lessee agrees to pay and discharge all Lessor's costs and expense, including Lessor's reasonable attorney fees that shall arise from enforcing any provision or covenant of this lease even though no suit or action is instituted.



**25. NOTICES**

All notices required or permitted to be given under this lease shall be in writing and shall be deemed given and received two days after deposit in the United States Mail, postage prepaid, addressed as follows:

If to Lessor:            Pastor/President: \_\_\_\_\_  
                                 Name of Church: \_\_\_\_\_  
                                 Address: \_\_\_\_\_  
                                 \_\_\_\_\_

With a copy to:        Property Manager  
                                 Archdiocese of Portland in Oregon  
                                 2838 E. Burnside Street  
                                 Portland, OR 97214

If to Lessee:            Name: \_\_\_\_\_  
                                 Organization: \_\_\_\_\_  
                                 Address: \_\_\_\_\_  
                                 \_\_\_\_\_

**26. HEIRS AND ASSIGNS**

All rights, remedies and liabilities given to or imposed upon either of the parties shall extend to, inure to the benefit of and bind, as the circumstances may require, the heirs, successors, personal representatives and so far as this lease is assignable by the terms hereof, to the assigns of such parties.

**27. RECORDATION**

This lease shall not be recorded without the written consent of Lessor.

**28. ADDITIONAL PROVISIONS OR REVISIONS**

See attached Addendum, if any, for revisions or additional provisions. The Addendum shall be incorporated herein and made a part of this lease. *[No provisions may be added or revisions made that alter or are in conflict with the insurance requirements of this lease without the prior written authorization of the Archdiocesan Risk Management Office. No such additions, revisions, or addenda shall be deemed incorporated into this lease without full execution and delivery of same by both Lessor and Lessee.]*

**29. AMENDMENTS**

The attached Amendment form shall be used to incorporate revisions or additional provisions to be made to this lease after its execution. Any fully-executed Amendment(s) shall be incorporated herein and made a part of this lease effective as of the date the last signer signed the Amendment. *[No provisions may be added or*

*revisions made that alter or are in conflict with the insurance requirements of this lease without the prior written authorization of the Archdiocesan Risk Management Office. No such additions, revisions, or amendments shall be deemed incorporated into this lease without full execution and delivery of same by both Lessor and Lessee.]*

**Lessee shall not occupy the premises until: 1) the Lease is executed by the Lessee and Lessor; and 2) all required insurance documents have been submitted by Lessee to Lessor and reviewed/approved by the Archdiocesan Risk Management Office as evidenced by signature below.**

**SIGNATURES:**

**LESSOR:** \_\_\_\_\_ (Name of Parish Corporation)

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_ (Pastor's Name)  
Title: Pastor/President

Date: \_\_\_\_\_

**LESSEE:** \_\_\_\_\_

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_

**FOR OFFICE USE ONLY**  
**Risk Management Approval:**

Reviewed by: \_\_\_\_\_  
Date: \_\_\_\_\_

**EXHIBIT A TO GROUND LEASE**

**BETWEEN**

\_\_\_\_\_  
(Name of Parish Corporation)

**and**

\_\_\_\_\_  
(Name of Lessee)

\_\_\_\_\_  
(Description and/or map of premises)

**ADDENDUM TO GROUND LEASE**

**BETWEEN**

(Name of Parish Corporation)

**and**

(Name of Lessee)

\_\_\_\_\_

**AMENDMENT TO GROUND LEASE**

1. The lease between \_\_\_\_\_ (Name of Parish Corporation) (“Lessor”) and \_\_\_\_\_ (“Lessee”), dated \_\_\_\_\_ (“Lease”) is amended as follows:

\_\_\_\_\_

2. The above amendments shall become effective on \_\_\_\_\_.

3. All other terms and conditions of the original Lease shall remain in full force and effect.

**This Amendment must be executed by Lessee and Lessor.**

**SIGNATURES:**

**LESSOR:** \_\_\_\_\_ (Name of Parish Corporation)

**LESSEE:** \_\_\_\_\_

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Pastor/President

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_