

COMMERCIAL LEASE

This Commercial Lease is made at Mount Shasta, California, on the date last written below, by and between Daniel D. Nelson, doing business as A-1 Mini Storage of S. Mt. Shasta Blvd. (herein, "Owner"), and Northern United Charter School, by Shari Lovett, Director (herein, "Tenant").

RECITALS

Owner is the owner of commercial buildings and lot, commonly known as **2409 and 2411 S. Mt. Shasta Blvd., Mt. Shasta, California, APN 037-260-670** (herein, the "Building"). Tenant desires to lease from Owner the Buildings and attached playground space (no structures are included) to be used exclusively as public charter school (herein, "the Premises"). Tenant is advised to arrange for the transfer of ownership of all playground structures, sand box, climbing structure, sprinklers and other playground equipment from Golden Eagle Charter School, as it is not the personal property of Owner.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. **AGREEMENT TO LEASE.** Owner leases to Tenant, and Tenant leases from Owner the Premises described hereinabove.
2. **TERM OF LEASE; RENT; LATE CHARGES.**
 - a. **Term.** The term of this Lease shall be due on the 1st day of each calendar month, commencing on **July 1, 2023**, and it shall continue in effect through **11:59 p.m. on June 30, 2024**, with options to renew as described herein. Early possession of the Premises shall be allowed, provided all terms and conditions of this Lease are met and all terms hereunder become binding upon the date of occupancy which must be stated in writing between the Parties.
 - b. **Initial Rent.** The initial rent shall be \$4,800.00 per month, due and payable in advance on the first day of each month. This rental value is based on Lessor's ability to file and claim the "Qualified Lessor's Exemption" with the Siskiyou County Assessor's office and to receive the exemption as consideration for rent; see Addendum One. Rent shall be mailed to Owner at PO Box 600, Mt. Shasta, California 96067.
 - c. **Option.** Tenant shall have the option at the end of the one-year term described above to renew the Lease for an additional one-year period, and for each one-year period thereafter for three years. Rent shall increase each successive year by either 3% or by the CPI % calculated for Siskiyou County in the month of March of the year of the renewal, whichever is higher. To exercise this Option, Tenant shall not be in default under any terms of this Lease. Tenant shall notify Owner of his intent to exercise this Option in writing Ninety (90) days before the termination of the current lease period. Tenant's default or failure to send written notification of intent to exercise shall nullify this Option. In the event of a sale of the Premises by Owner, this Lease shall terminate on next June 30 following the sale, and no option to renew shall be offered for the following year.
 - d. **Late Charge.** In the event the rent is not actually received by Owner on the first banking day following the specified due date, a Late Charge in the amount of Two Hundred Dollars (\$200.00) of the shall be added thereto, payment of which shall be enforced in the same

manner as rent hereunder. Tenant acknowledges that late payment of rent by Tenant to Owner will cause Owner to incur costs not contemplated by this lease, the exact amount of such costs being extremely difficult and impracticable to fix. Such costs include, without limitation, processing and accounting charges, and late charges that may be imposed on Owner by the terms of any note secured by an encumbrance covering the premises. The parties agree that this Late Charge reasonably compensates Owner for the same. Acceptance of any late charge shall not constitute a waiver of Tenant's default with respect to the overdue amount or prevent Owner from exercising any of the other rights and remedies available to Owner. The timing of this Late Charge shall not imply a grace period for the payment of rent; Tenant is deemed to be in default of the obligation to pay rent if Owner has not received same on the due date specified in subpart b, hereinabove.

In the event that Owner, after default by Tenant, gives to Tenant a Three-Day Notice demanding payment of unpaid rent, or any portion thereof, Tenant shall pay, along with the sum stated to be due, and as additional rent, the sum of **\$200.00**, which amount the parties agree is reasonable to compensate Owner for the cost of preparation and service of such a Notice.

3. DEPOSIT. Tenant shall pay to Owner the sum of Four Thousand Eight Hundred Dollars (\$4,800.00) as a security deposit for the Premises. Owner shall hold this deposit and use it only for lawful purposes under California law. At each successive renewal, Tenant shall pay to Owner an additional deposit sufficient to bring the balance of the deposit to the equivalent of one month's rent under the renewed agreement. Upon termination of this Lease Owner shall return the deposit as allowed by law and return any unused portion to Tenant, with an accounting of all sums withheld.

4. TAXES AND ASSESSMENTS. Tenant shall pay before delinquency all taxes, assessments, license fees, and other charges that are levied and assessed against Tenant's personal property and equipment, including business fixtures and leasehold improvements, installed or located in or on the Premises, and that become payable during the term. On demand by Owner, Tenant shall furnish Owner with satisfactory evidence of these payments.

If any taxes on Tenant's personal property, equipment, fixtures, or leasehold improvements are levied against Owner or Owner's property, or if the assessed value of the Premises is increased by the inclusion of a value placed on Tenant's personal property, equipment, fixtures, or leasehold improvements, and if the Owner pays the taxes on any of these items or the taxes based on the increased assessment of these items, Tenant, on demand, shall immediately reimburse Owner for the sum of the taxes levied against Owner, or the proportion of the taxes resulting from the increase in Owner's assessment.

Parties agree that Owner may apply for a Qualified Lessor's Exemption and Tenant shall complete an Affidavit for Exclusion by Qualifying Institutional Lessee in the form attached hereto as Addendum One and shall deliver it to Owner upon the execution of this Lease and one month prior to the onset of any successive option to renew.

5. USE. Tenant shall use the Premises for no purpose other than as a public charter school. Any breach of this Section by Tenant, as with any other provision of this lease, shall be grounds

for termination of this lease upon three (3) days' prior written notice.

6. CANCELLATION OF INSURANCE; INCREASE IN PREMIUMS. Tenant shall not do, bring, or keep anything in or about the Premises that will cause a cancellation of any insurance covering them. If any activities of Tenant cause an increase in the insurance premiums to be paid by Owner, Tenant shall be liable for same, which shall be considered a rent obligation hereunder.

7. COMPLIANCE WITH LAWS. Tenant shall comply with all laws concerning the Premises, and Tenant's use of the Premises, including, without limitation, the obligation at Tenant's cost to alter, maintain, or restore the Premises in compliance and conformity with all laws relating to Tenant's particular use thereof, provided however, that nothing herein shall expand Tenant's responsibilities for maintenance and repair beyond those provided elsewhere herein. In no event shall Owner be required to upgrade or remodel the Premises so as to comply with laws, regulations, or ordinances with which Owner was not required to comply when the building was constructed, nor with any that are the result of Tenant's use or occupancy of the Premises.

8. NUISANCE. Tenant shall not use the Premises in any manner that will constitute waste, nuisance or unreasonable annoyance to owners or occupants of adjacent properties.

9. DAMAGE. Tenant shall not do anything on the Premises that will cause damage to the Premises or Building. No machinery, apparatus, or other appliance shall be used or operated in or on the Premises that will in any manner injure or shake the Premises or Building.

10. OWNER'S MAINTENANCE. Owner shall at its cost maintain in good condition the following:

a. Structure, Exterior. The structural parts of the Building and, except as provided to the contrary herein, the exterior improvements that are part of the Premises and the Building, including the parking area, walkways, driveways, window frames, roof, gutters, and downspouts.

b. Sewage Systems. The sewage systems, including those portions of the systems lying either inside or outside the Premises, provided however, that Tenant shall be solely responsible for sewer stoppages resulting from matter which Tenant, its agent, or invitee has introduced into the system. Tenant shall also be responsible for maintaining the sewer pump alarm battery located in the north-east corner of building 2409.

11. TENANT'S MAINTENANCE. Except as provided in Section 9, above, Tenant at its cost shall maintain in good condition all interior portions of the Premises, including but not limited to all of the following:

a. Plumbing and electrical wiring.

b. Tenant's personal property.

c. Any other fixtures and leasehold improvements which Tenant may install in, for the purpose of serving, the Premises, including but not limited to playground structures, signs; plumbing; communications; floor coverings; electrical; and heating, ventilating, or air conditioning systems.

d. Light bulbs, ballasts, and fixtures within the Premises.

- e. Broken plate glass.
- f. HVAC Systems. The heating, ventilating, or air conditioning systems.
- g. All property immediately adjacent to Buildings.
- h. Shall change the sediment filter at water pressure tank in 2411, every 2-3 months as needed.
- i. Sprinkler systems to be used on timer systems, being aware of the water well's capacity and flow rate.
- j. Tenant shall endeavor to conserve water whenever possible and perform regular checks on the water well.
- k. All snow removal shall be provided by Tenant at Tenant's expense. Snow shall be plowed into designated areas and shall not block the thoroughfares or other parking areas on the Premises.

Furthermore, Tenant shall be responsible for any damage to the Premises or Building caused by acts of Tenant, its patrons, invitees, employees, and agents. Tenant shall be responsible, at its cost, for any modifications of the Premises or Building which become required by law during Tenant's term of occupancy hereunder.

Nothing herein shall prohibit Tenant from making repairs to any part of the Premises or Building, at Tenant's cost, if necessary, to prevent injury or property damage. Tenant shall, if practical, give written notice to Owner prior to making such repairs.

Tenant shall not place, maintain, nor permit the placement of any outbuildings, sheds, storage sheds or storage containers on the property without the previous consent of Owner.

Should any improvements to the Premises be required by law the Tenant shall provide those improvements at their sole cost.

12. TENANT'S REMEDIES. Owner shall have thirty (30) days after notice from Tenant to commence to perform its obligations under Section 10, above, except that Owner shall perform its obligations immediately if the nature of the problem presents a hazard or emergency. Tenant shall be relieved from paying rent until repairs are made if the Owner's failure to reasonably promptly do so makes it impossible for Tenant to conduct business.

13. TENANT'S ALTERATIONS. Tenant shall not make any alterations to the Premises or Building, excepting the installation of communications systems, painting, or floor and window coverings, without Owner's written consent, which consent shall not be unreasonably refused. Any alterations, except furniture, trade fixtures and equipment, made or placed in or on the Premises shall remain on and be surrendered with the Premises on expiration or termination of the term, unless the parties expressly agree in writing to some other disposition, except that, in the absence of a written agreement to the contrary, Owner can elect within thirty (30) days before expiration of the term, or within seven (7) days after termination of the term, to require Tenant to remove any alterations that Tenant has made to the Premises. Counters and room dividers which are fastened to the floor or walls shall become the property of Owner, unless Owner elects to have them removed by Tenant. If Owner so elects, Tenant, at its cost, before the last day of the lease term, or within thirty (30) days after notice of election is given, whichever is

later, shall restore the Premises to their condition at the commencement of the lease. If Tenant makes any alterations to the Premises as provided above, the alterations shall not be commenced until five (5) days after Owner has received notice from Tenant stating the date the installation of the alterations is to commence so that Owner can post and record an appropriate notice of non-responsibility.

14. INSTALLATION AND REMOVAL OF TRADE FIXTURES. Tenant shall have the right at any time during the term of this lease, at Tenant's sole cost and expense, to install and affix in, to, or on the Premises such items, herein called "trade fixtures", for use in Tenant's business as Tenant may, in its sole discretion, deem advisable. If the installation of any such trade fixtures involves any modification of the structure, electrical, or plumbing of the Premises, Tenant shall first obtain the written consent of Owner. Any and all such trade fixtures that can be removed without structural damage to the Premises or any improvements on the Premises shall, subject to other applicable provisions of this lease, remain the property of the Tenant and may be removed by Tenant at any time prior to the expiration or sooner termination of this lease. Upon the removal of any trade fixtures, Tenant shall, at its sole cost, place the Premises in the same condition as when the lease commenced. In the absence of a written agreement to the contrary, any modifications or additions to the electrical or plumbing systems of the Premises shall, upon Tenant's vacation, remain on the Premises and become the property of Owner. Tenant may install communication lines and systems in, and with the permission of Owner (which permission may not be unreasonably withheld by Owner) about the Premises, for Tenant's use therein, and may remove the same at any time and thereupon repair any damage resulting from the installation, use, or removal of the same.

15. MECHANICS' LIENS. Tenant shall pay all costs for construction and improvements done by it or caused to be done by it on the Premises as permitted by this lease. Tenant shall keep the Premises free and clear of all mechanics' liens resulting from construction and improvements done by or for Tenant. These provisions shall not apply, however, to repairs or maintenance which was the responsibility of Owner hereunder. Not less than seven (7) days prior to commencing any construction or work of improvement on or to the Premises, including but not limited to window, wall (including paint), or floor coverings, Tenant shall notify Owner in writing so that Owner can issue a Notice of Nonresponsibility.

16. EXCULPATION OF OWNER. Owner shall not be liable to Tenant for any damage to Tenant or Tenant's property from any cause, excepting only grossly negligent, intentional, or malicious acts of Owner or Owner's employees.

17. TENANT'S PUBLIC LIABILITY AND PROPERTY DAMAGE INSURANCE. Tenant shall maintain public liability and property damage insurance with a single combined liability limit of not less than \$1,000,000, and property damage limits of not less than \$500,000, insuring against all liability of Tenant and its authorized representatives rising out of and in connection with Tenant's use or occupancy of the Premises. Owner shall be named as an additional insured under said insurance. Tenant shall provide Owner with proof of such insurance within 30 days of the execution of this Lease.

18. TENANT'S FIRE INSURANCE. Tenant, at its cost, may maintain on its personal property, fixtures, improvements, and alterations, in, on, or about the Premises, policies of fire and extended coverage insurance; Tenant is hereby advised that Owner will not be providing any such insurance. As between Owner and Tenant, Tenant assumes the risk of any uninsured losses both to said property and to Tenant's business income, regardless of cause, except for the grossly negligent, intentional, or malicious acts of Owner.

19. REQUIREMENTS OF TENANT'S INSURANCE POLICIES. Tenant agrees that all insurance policies required hereunder in which Tenant is required to name Owner as an additional insured, there shall be a clause or endorsement to the effect that it may not be terminated nor materially amended except after ten (10) days prior written notice to Owner and Tenant. Tenant, prior to occupancy, and thereafter upon demand by Owner, shall furnish Owner with copies of such insurance policies.

20. OWNERS' INSURANCE. Owner shall maintain Hazard Insurance at 100% of the cash value of the Premises. However, no portion of Tenant's property, leasehold improvements, or trade fixtures shall be covered thereby.

21. DESTRUCTION. If, during the lease term, the Premises are totally or partially destroyed from a risk covered by any insurance thereon, rendering the Premises totally or partially inaccessible or unusable by Tenant, Owner may restore the Premises upon receipt of any insurance proceeds, and in such case, said destruction shall not terminate the lease, but Tenant shall owe no rent for the period that, and/or the portion of, the Premises were not accessible or usable. If Owner chooses not to restore the Premises, the lease shall terminate.

22. UNINSURED DESTRUCTION. If, during the term of this Lease, the Premises are totally or partially destroyed from a risk not covered by the insurance described herein, rendering the Premises totally or partially inaccessible or unusable by Tenant for the purposes contemplated by this lease, Tenant may elect to terminate this lease unless Owner, within 60 days after such destruction, gives notice of its intention to restore the Premises at Owner's cost, and within 60 days thereafter completes the restoration.

If Owner is required to, or elects to, restore the Premises as provided in this Section, Owner shall not be required to restore alterations made by Tenant, Tenant's improvements, Tenant's trade fixtures, and Tenant's personal property, such excluded items being the sole responsibility of Tenant to restore.

In case of destruction, there shall be an abatement or reduction of rent between the date of destruction and the date of completion or restoration, based on the extent to which the destruction interferes with Tenant's use of the Premises.

23. ASSIGNMENT. Tenant shall not voluntarily assign nor encumber its interest in this lease or in the Premises, nor sublease all or any part of the Premises, nor allow any other person or entity (except Tenant's authorized representatives) to occupy or use all or any part of the Premises, without first obtaining Owner's consent. Any assignment, encumbrance, or sublease without Owner's consent shall be voidable and, at Owner's election, shall constitute a default. No consent to any assignment, encumbrance, or sublease shall constitute a further waiver of the provisions of this section. Owner shall not unreasonably withhold consent to

any sublease, so long as Tenant remains primarily liable hereunder. If Tenant subleases the Premises for a rent which exceeds the rent payable hereunder, the excess rent receipts shall be paid to Owner as additional rent under this lease.

24. INVOLUNTARY ASSIGNMENT. No interest of Tenant in this lease shall be assignable by operation of law (including, without limitation, the transfer of this lease by testacy or intestacy). Each of the following acts shall be considered an involuntary assignment:

a. Insolvency. If Tenant is or becomes bankrupt or insolvent, makes an assignment for the benefit of creditors, or institutes a proceeding under the Bankruptcy Act in which Tenant is the bankrupt; or, if Tenant is a partner in a partnership or consists of more than one person or entity, if any partner of the partnership or other person or entity is or becomes bankrupt or insolvent, or makes an assignment for the benefit of creditors;

b. Writ of Attachment. If a writ of attachment or execution is levied on this lease; or

c. Receivers. If, in any proceeding or action to which Tenant is a party, a receiver is appointed with authority to take possession of the Premises.

25. DEFAULT. The occurrence of any of the following shall constitute a default by Tenant:

a. Default in Rent. Failure to pay rent when due, if the failure continues for three (3) days after notice has been given to Tenant;

b. Abandonment. Nonpayment of rent when due, along with abandonment and vacation of the premises (failure to occupy and operate the Premises for twenty (20) consecutive days shall be deemed an abandonment and vacation;

c. Other Default. Failure to perform any other provision of this lease if the failure to perform is not cured within seven (7) days (or thirty (30) or sixty (60) days if herein so provided) after notice has been given to Tenant. If the default cannot reasonably be cured within seven (7) days, Tenant shall not be in default of this lease if Tenant commences to cure the default within the seven (7) day period and diligently and in good faith continues to cure the default.

26. REMEDIES UPON DEFAULT. Owner shall have the following remedies if Tenant commits a default, in addition to any remedies now or later allowed by law.

a. Continuation of Lease. Owner can continue this lease in full force and effect, and the lease will continue in effect as long as Owner does not terminate Tenant's right to possession, and Owner shall have the right to collect rent when due. During the period Tenant is in default, Owner can enter the Premises and relet the same, or any part of them to third parties for Tenant's account. Tenant shall pay to Owner the rent due under this lease on the dates and rent is due, less the rent Owner receives from any reletting.

b. Termination of Lease. Owner can terminate Tenant's right to possession of the Premises at any time, according to the terms of this lease, and applicable law. Owner shall retain the right to recover the remaining rent and any other amount, and court costs, necessary to compensate Owner for all detriment proximately caused by Tenant's default.

27. CURE OF DEFAULT BY OWNER OR TENANT. Either party may, at any time

after the other commits a default, cure the default. If either party, by reason of the other's default, pays any sum, the sum so paid shall be due immediately from the party in default at the time the sum is paid, and if paid at a later date shall bear interest at the rate of 10% per annum from the date the sum was paid. Any such sum owed to Owner by Tenant, together with interest on it, shall be additional rent.

28. INTEREST ON UNPAID RENT. Rent not paid when due shall bear interest at the rate of 10% per annum from the date that the Late Charge provided hereinabove is levied, until paid. Such interest shall be deemed to be a rent obligation hereunder.

29. SIGNS. Tenant shall not have the right to place, construct, or maintain any exterior sign, advertisement, or other exterior decoration without Owner's consent, which consent will not be unreasonably withheld, provided however, that Tenant may place its business name and other related information on, or place a sign behind, any exterior glass portions of Tenant's Premises. Upon approval of Tenant's signage, Owner may require Tenant to post a deposit to cover the cost of removal of same upon the expiration or termination of Tenant's leasehold. Tenant shall keep its signage in a clean and neat appearance, and shall promptly repair any damage, at Tenant's sole expense.

30. PARKING. Off street parking is provided and may be used by Tenant and its patrons.

a. Adequacy of Parking. Owner makes no representation that there will, at any particular time, be sufficient street parking available to satisfy the needs of Tenant or Tenant's invitees.

b. Damage. Owner shall not be responsible for any damage to or loss of vehicles.

c. Storage. Neither Tenant nor its invitees shall store any vehicles or equipment on the Premises, whether overnight or otherwise, except for certain vehicles used solely as business vehicles. Tenant may store those on the Premises at their own risk.

d. Security; Waiver of Liability. The general public has access to the areas around the Premises and Owner provides no security patrols. Tenant shall be responsible for providing any security lights or patrols for the protection of Tenant and Tenant's invitees.

31. OWNER'S ENTRY ONTO PREMISES. Owner and its authorized representatives shall have the right to enter the Premises at all reasonable times, upon reasonable prior notice, in the presence of Tenant unless in an emergency or if Tenant does not cooperate in arranging a mutually convenient time, for any of the following purposes:

a. Inspections. To determine whether the Premises are in good condition and whether Tenant is complying with its obligations under this lease;

b. Maintenance. To do any necessary maintenance and to make any restoration to the Premises that Owner has the right or obligations to perform;

c. Notices. To serve, post, or keep posted any notices required or allowed under the provisions of this lease;

d. Showings. To show the Premises to prospective brokers, agents, buyers, tenants, appraisers, or persons interested in an exchange or sale at any time during the term;

e. Repairs. To shore the foundations, footings, and walls of the building and other

improvements that are a part of the Premises or Building and to erect scaffolding and protective barricades around and about the Premises or Building, and to do any other act or thing necessary for the safety or preservation of the Premises or Building if any excavation or other construction is undertaking or is about to be undertaken on any adjacent property or nearby street.

f. No Liability. Owner shall not be liable in any manner for any necessary inconvenience, disturbance, loss of business, nuisance, or other damage arising out of Owner's reasonable entry on the Premises as provided in this paragraph, except damage resulting from the negligent or malicious acts or omissions of Owner or its authorized representatives.

g. No Abatement. Tenant shall not be entitled to an abatement or reduction of rent if Owner exercises any rights reserved in this paragraph.

h. Minimal Disruption. Owner shall conduct its activities on the Premises as allowed in this paragraph in a manner that will cause the least possible inconvenience, annoyance, or disturbance to Tenant.

i. Key. Tenant shall provide a key to Owner for emergency entrance onto the Premises, which key shall be kept by an agent of Owner selected by the parties. Tenant shall also provide the alarm code for the building and inform the Owner when and if that number changes.

32. NOTICES. Any written notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party or any other person, including any Notice to Pay or Quit, and any Notice to Cure Default or Quit, shall, unless a different procedure is specified herein, be either served personally or sent by prepaid, first class mail, to the address specified below, and shall be deemed received on the 2nd regular postal delivery day after mailing, unless a postal return receipt, signed by the addressee, indicates an earlier date of receipt. A Pay or Quit Notice, or Cure Default or Quit Notice, shall be deemed served on the 2nd regular postal delivery day after mailing. Either party may change its address by notifying the other party of the change of address. If either party consists of more than one person, notice given to either shall be deemed to be notice on both, unless separate notice is requested, in writing. Personal delivery of notices to Tenant, at Tenant's place of business, is to be preferred, and must be attempted before a notice is mailed.

Owner's Mailing Address: Daniel Nelson, PO Box 600, Mt. Shasta, CA 96067.

Owner's Phone Number: 530-859-6944

Owner's Email Address: dansa1storage@gmail.com

Emergency Contact: Lisa Himbree (530)859-5944

Tenant's Mailing Address: Northern United Charter School, _____

Tenant's Phone Number:

Tenant's Email Address:

Emergency Contact:

(If no other address is specified, notices to Tenant may be sent to the address of the Premises.)

33. WAIVER. No delay or omission in the exercise of any right or remedy of either party on any default by the other shall impair such a right or remedy or be construed as a waiver.

a. No Waiver. The receipt and acceptance by Owner of delinquent rent shall not

constitute a waiver of any other default, nor of any pending notice of default or demand to cure a default; it shall constitute only a waiver of timely payment for the particular rent payment involved.

b. No Acceptance of Surrender. No act or conduct of Owner, including, without limitation, the acceptance of the keys to the Premises, shall constitute an acceptance of the surrender of the Premises by Tenant before the expiration of the term. Only a notice from Owner to Tenant shall constitute acceptance of the surrender of the Premises and accomplish a termination of the lease.

c. Subsequent Approvals. Owner's consent to or approval of any act by Tenant requiring Owner's consent or approval shall not be deemed to waive or render unnecessary Owner's consent to or approval of any subsequent act by Tenant.

d. Written Waivers. Any waiver by either party must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this lease.

34. ATTORNEY FEES.

a. Third-Party Actions. If either party becomes a party to any litigation concerning this lease, the Premises, or the building or other improvements in which the Premises are located, by reason of any act or omission of the other party or its authorized representatives, and not by any act or omission of the party that becomes a party to that litigation or any act or omission of its authorized representatives, the party who causes the other party to become involved in the litigation shall be liable to that party for reasonable attorneys' fees and court costs for the litigation. Such fees and costs shall also include expert witness fees.

b. Actions Between These Parties. If either party hereto commences an action against the other party arising out of or in connection with this lease, the prevailing party shall be entitled to have and recover from the losing party reasonable attorneys' fees and costs of suit and including expert consultant and witness fees. The right to such attorneys' fees and costs of suit shall be deemed to have accrued upon the commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

35. SURRENDER OF PREMISES. On expiration, or ten (10) days after termination, of the term, Tenant shall surrender to Owner the Premises and all Tenant's improvements and alterations in good condition (except for ordinary wear and tear occurring after the last necessary maintenance made by Tenant and destruction of Premises covered by other sections of this Lease), except for alterations, furniture, trade fixtures and equipment that Tenant has the right to remove or is obligated to remove under the provisions of this Lease. Tenant shall not have the right to remove any of the equipment leased to Tenant hereunder, and the same shall be returned to Owner in a clean and operable condition. Tenant shall remove all its personal property within the above stated time. Tenant shall perform all restoration made necessary by the removal of any alterations or tenant's personal property within the time periods stated in this paragraph.

Owner can elect to retain or dispose of in any manner any alterations or Tenant's personal property, including furniture and trade fixtures, that Tenant does not remove from the Premises on expiration or termination of the term, as allowed by required by this lease, by giving at least ten (10) days' notice to Tenant. Title to any such alterations or Tenant's personal property that Owner elects to retain or dispose upon expiration of the ten (10)-day period shall vest in Owner.

Tenant shall be liable to Owner for Owner's costs for storing, removing, and disposing of any alterations or Tenant's personal property.

If Tenant fails to surrender the Premises and equipment to Owner on expiration, or ten (10) days after termination, of the term as required by this section, Tenant shall hold Owner harmless from all damages resulting from Tenant's failure to surrender the premises, including, without limitation, claims made by a succeeding tenant resulting from Tenant's failure to surrender the Premises.

36. HOLDING OVER. If Tenant, with Owner's consent, remains in possession of the Premises after expiration or termination of the term, or after the date in any notice given by Owner to Tenant terminating this tenancy, such possession by Tenant shall be deemed terminable on 30 days' notice given at any time by either party, except that if Tenant fails to pay rent when due, such possession shall be deemed terminable on three (3) days' notice.

37. TIME OF ESSENCE. Time is of the essence of each provision of this lease.

38. CONSENT OF PARTIES. Whenever consent or approval of either party is required, that party shall not unreasonably withhold such consent or approval.

39. SUCCESSORS. This lease shall be binding on and inure to the benefit of the parties and their successors, except as provided to the contrary herein.

40. CALIFORNIA LAW. This lease shall be construed and interpreted in accordance with the laws of the State of California, and fairly and evenly as to all parties, as if it had been drafted jointly by all of them.

41. INTEGRATED AGREEMENT, MODIFICATION. This lease contains all the agreements of the parties and cannot be amended or modified except by a written agreement.

42. SEVERABILITY. The unenforceability, invalidity, or illegality of any provision shall not render the other provisions unenforceable, invalid, or illegal, so long as the primary purpose of this lease can be carried out.

43. REAL ESTATE BROKERS. Each party agrees to indemnify the other from any liability, and including the cost of legal defense, resulting from the claim of any real estate broker that the indemnitor contracted with the broker to pay any commission or finder's fee as a result of this lease.

44. CAPTIONS. The captions of this lease shall have no effect on its interpretation.

45. PROVISIONS ARE COVENANTS AND CONDITIONS. All provisions, whether covenants or conditions, on the part of Tenant shall be deemed to be both covenants and conditions.

46. SINGULAR AND PLURAL. When required by the context of this lease, the singular shall include the plural.

47. JOINT AND SEVERAL OBLIGATIONS. "Party" shall mean Owner or Tenant; and if more than one person or entity is Owner or Tenant, the rights enjoyed by, and obligations imposed on that party, shall be joint and several.

48. NO REPRESENTATION REGARDING LEGAL EFFECT OF DOCUMENT. No representation, warranty, or recommendation is made by Owner or its agents, employees or attorneys regarding the legal sufficiency, legal effect, or tax consequences of this lease or the transaction, and each signatory is advised to submit this lease to its respective attorney before signing it.

49. LEGAL REPRESENTATION. In regard to the negotiation and preparation of this lease, Owner has been advised and represented herein by KIRSHER, WINSTON & BOSTON, L.C., and Tenant has been advised to retain its own independent legal counsel. Each such party acknowledges and warrants that it has not relied upon the representation or advice of the other party's attorney.

50. UTILITIES. Tenant alone shall be responsible for all utilities provided to the Premises.

51. CONDITION OF LEASED PREMISES. Tenant has fully inspected and is familiar with the Premises. Tenant is unconditionally satisfied with the condition of same. Owner shall not be obligated to make any repairs, improvements, or modifications to the Premises unless Owner has so agreed in writing. In no event shall Owner be obligated to modify the Premises in order to comply with any special needs of Tenant.

_____ / _____ (Parties are to initial to acknowledge this waiver):

52. WAIVER OF RIGHT TO JURY TRIAL. Owner and Tenant hereby waive their respective rights to trial by jury of any cause of action, claim, counterclaim or cross-complaint in any action, proceeding and/or hearing brought by either of them against the other on any matter whatsoever, arising out of, or in any way connected with, this lease, the relationship of landlord and tenant, Tenant's use or occupancy of the Premises or the Building, or any claim of injury or damage, or the enforcement of any remedy under any law, statute, or regulation, emergency or otherwise, now or hereafter in effect.

53. IMPROVEMENTS. Owner has not agreed to make any improvements to the Premises. Specifically, Owner has not agreed to install a new floor, but Tenant may do so, and if Tenant installs a wooden floor, it assumes all risks of water damage.

54. PRIOR LEASES. This agreement supersedes all previous leases, agreements, understandings, and representations as to the Premises.

55. ANIMALS. No pets or other animals shall at any time be kept or allowed on the leased premises, except for guide dogs and other animals for the assistance of the disabled. A fish aquarium may be kept on the premises, not to exceed 25 gallons, but Tenant shall be

strictly liable for any resulting water damage.

TENANT

Dated: _____

Northern United Charter School, by
Shari Lovett, Director

OWNER

Dated: _____

Daniel Nelson, DBA A-1 Mini
Storage of S. Mt. Shasta Blvd.

ADDENDUM ONE

Qualified Lessors' Exemption Claim
Affidavit for Execution by Qualifying Institutional Lessee

CRAIG S. KAY
SISKIYOU COUNTY ASSESSOR-RECORDER
311 Fourth Street, Room 108
Yreka, CA 96097-2984
Telephone (530) 842-8036

QUALIFIED LESSORS' EXEMPTION CLAIM

PROPERTY USED FOR FREE PUBLIC LIBRARIES AND FREE MUSEUMS AND **USED EXCLUSIVELY FOR PUBLIC SCHOOLS, COMMUNITY COLLEGES, STATE COLLEGES, STATE UNIVERSITIES, UNIVERSITY OF CALIFORNIA, AND NONPROFIT COLLEGES**

NAME AND MAILING ADDRESS
(Make necessary corrections to the printed name and mailing address)

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To receive one time reporting treatment for the exemption, this claim must be filed with the Assessor within 120 days of the commencement date of the lease.

IDENTIFICATION OF APPLICANT

LESSOR'S CORPORATE OR ORGANIZATION NAME

MAILING ADDRESS

CITY, STATE, ZIP CODE

CORPORATE ID (IF ANY)

IDENTIFICATION OF PROPERTY

ADDRESS OF PROPERTY (NUMBER AND STREET)

FISCAL YEAR OF CLAIM
20__ - 20__

CITY, COUNTY, ZIP CODE

ASSESSOR'S PARCEL NUMBER

USE OF PROPERTY Check and state the primary and incidental qualifying uses of the property.

The exemption claim is made for the following property: *(if there are numerous properties, please attach a list that clearly identifies the property and the name and address of the lessee)*

PROPERTY TYPE	PRIMARY USE	INCIDENTAL USE
<input type="checkbox"/> Land		
<input type="checkbox"/> Buildings and Improvements		
<input type="checkbox"/> Personal Property		

Yes No The lease confers upon the lessee the exclusive right to possession and use of the property.

Yes No As used herein a qualifying institution is one whose property qualifies for the free public library, free museum, public school, community college, state college, state university, University of California, or nonprofit college property tax exemption.

Yes No The lessee institution has the option at the end of the lease term of acquiring the above property described in the lease for \$1 (one dollar) or any other nominal sum.

Important: A lessee's affidavit, in which the lessee attests to the above statement(s) is provided. Failure to submit/complete the lessee's affidavit will result in denial of one time reporting treatment for the exemption. A separate affidavit is required of each lessee.

CERTIFICATION

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing and all information hereon, including any accompanying statements or documents, is true and correct to the best of my knowledge and belief.

SIGNATURE OF PERSON MAKING CLAIM ▶	DATE
NAME OF PERSON MAKING CLAIM	TITLE
EMAIL ADDRESS	DAYTIME TELEPHONE ()

RETURN THIS
AFFIDAVIT TO
LESSOR

AFFIDAVIT FOR EXECUTION BY QUALIFYING INSTITUTIONAL LESSEE

NAME OF QUALIFYING LESSEE INSTITUTION

MAILING ADDRESS

CITY, STATE, ZIP CODE

Check the type of qualifying use of the property

FREE PUBLIC LIBRARY

COMMUNITY COLLEGE

UNIVERSITY OF CALIFORNIA

FREE MUSEUM

STATE COLLEGE

NONPROFIT COLLEGE

PUBLIC SCHOOL

STATE UNIVERSITY

NAME OF LESSOR

MAILING ADDRESS

CITY, STATE, ZIP CODE

COMMENCEMENT DATE OF LEASE

DATE PROPERTY PUT TO EXEMPT USE

PLEASE ATTACH A COPY OF THE LEASE AGREEMENT

The following property is leased as of January 1 of this year. If personal property is being leased, indicate the type, make, model, serial number, etc. Attach a separate listing if necessary.

PROPERTY TYPE (REAL OR PERSONAL)	PROPERTY DESCRIPTION

Yes No The lessee institution has the option at the end of the lease term of acquiring the above property described in the lease for \$1 (one dollar) or any other nominal sum.

CERTIFICATION

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing and all information hereon, including any accompanying statements or documents, is true and correct to the best of my knowledge and belief.

SIGNATURE OF PERSON MAKING CLAIM	DATE
NAME OF PERSON MAKING CLAIM	TITLE
EMAIL ADDRESS	DAYTIME TELEPHONE ()