

COMMERCIAL LEASE

This **COMMERCIAL LEASE** ("Lease") is made and entered into this first day of January 2025, by and between the **PORT OF SKAMANIA COUNTY**, a Washington municipal corporation (hereinafter referred to as "Lessor"), and BRGC, LLC, DBA, Beacon Rock Golf Course (hereinafter referred to as "Lessee"). Lessor and Lessee may be individually referred to as a Party or collectively referred to as the Parties herein.

ARTICLE I **SUMMARY OF LEASE TERMS AND DEFINITIONS**

Lessor: Port of Skamania County
Lessor's Address: 212 SW Cascade Ave.
Stevenson, WA 98648
E:port@portofskamania.org

Lessee: Bill Konoske
Lessee's Address: 111 Fuller Rd.
Carson, WA
98610
E:bkonoske34@gmail.com

Premises: Beacon Rock Golf Course
102 Grenia Rd.
North Bonneville, WA
98639

Authorized Use: Public golf course

Exhibits: **Exhibit A** – Legal Description of Premises
Exhibit B – Map of Premises
Exhibit C – Existing Encumbrances

Commencement Date: January 1, 2025

Term: Commencing upon the Commencement Date and expiring the 31st of December 2028 (4) years and thirty (30) days thereafter.

Base Rent: Rent will be six equal monthly payments due on the 1st of each month of May through October as follows, plus Washington State Leasehold Excise Tax.

1st year \$1,000 per month as stated above

2nd year \$2,000 per month as stated above

3rd year \$3,750 per month as stated above

4th year \$7,500 per month as stated above

Initial Amount of Rental Bond or Security Deposit: Two months' rent plus Leasehold State Tax (\$8,463.00).

ARTICLE II
PREMISES, TERM, RENEWALS, COMMON AREAS

2.1. **PREMISES.** Lessor, in consideration of the rents hereinafter reserved, and of the covenants and conditions herein set forth to be performed by Lessee, does hereby lease to Lessee the Premises. The Premises consist of approximately 63.3 acres of real property developed as a public golf course.

2.2. **TERM.** The "Term" of this Lease shall be for four (4) years beginning on the Commencement Date and termination on December 31st, 2028. If Lessee takes possession of the Premises before the Commencement Date, Lessee shall pay the pro rata rent for the period prior to the Commencement Date.

ARTICLE III
RENT

3.1. **RENT.** The term "Rent" as used herein includes Base Rent, Additional Rent, plus applicable Washington State leasehold excise tax, and other fees and charges assessed herein. Except as expressly provided elsewhere herein, Rent, and all other sums payable by Lessee pursuant to this Lease, shall be paid without the requirement that Lessor provide prior notice or demand, and shall not be subject to any counterclaim, setoff, deduction, defense or abatement.

3.1.1. **Additional Rent.** Lessee shall reimburse Lessor for all of Lessor's insurance costs related to the Premises and/or any buildings located thereon as "Additional Rent" hereunder. Lessor shall be entitled to invoice Lessee for such Additional Rent monthly or annual at Lessor's sole discretion. All such Additional Rent is due on the first day of the month after Lessor issues such invoice.

3.1.2. **Rent Paid in Advance – Late Charges.** Rent shall be paid monthly in advance on or before the first (1st) day of each month beginning on the Commencement Date. A late charge of one percent (1%) per month will be assessed against past due Rent. Additionally, if Rent is not received by the fifth (5th) day of any month, Lessee shall pay Lessor an administrative fee of One Hundred Dollars (\$100.00) or five percent (5%) of the delinquent payment, whichever is greater. All accrued interest and late charges shall be paid no later than the first (1st) day of the subsequent month.

3.3. **ABATED RENT.** If this Lease provides for a postponement of any Rent payments, a period of free Rent, or other Rent concession, such postponed Rent is called the "Abated Rent." Lessee shall be credited with having paid all the Abated Rent on the expiration of the Term only if Lessee has fully, faithfully, and punctually performed all of Lessee's obligations hereunder, including the payment of all Rent (other than the Abated Rent) and all other monetary obligations and the surrender of the Premises in the condition required by this Lease. Lessee acknowledges that its right to receive credit for the Abated Rent is absolutely conditioned upon Lessee's full, faithful, and punctual performance of its obligations under this Lease. If Lessee defaults and does not cure within any applicable grace period, the Abated Rent shall immediately become due and payable in full and this Lease shall be enforced as if there were no such Rent abatement or other Rent concession. In such case, Abated Rent shall be calculated based on the full initial Rent payable under this Lease, plus interest thereon at the rate of twelve percent (12%) per annum from date each Rent payment was postponed.

ARTICLE IV
USE OF PREMISES, CONDITION OF PROPERTY,
IMPROVEMENTS, REMOVAL OF PROPERTY, MAINTENANCE, AND UTILITIES

4.1. **LESSEE'S USE OF THE PREMISES.** Lessee shall only conduct the following activity on the Premises: operation of a public golf course and all services in connection therewith as are usually and customarily connected with and incidental to such business operations (the "Authorized Use").

4.1.1. **Default – Unauthorized Use.** Lessee shall be in default under this Lease if it (i) ceases conducting the Authorized Use for any period exceeding thirty (30) days; or (ii) conducts any other business or activity on the Premises without first obtaining a validly executed lease modification. If applicable to the Authorized Use, Lessee shall properly and fairly serve the public, providing reasonable hours of operation and suitable service.

4.1.2. **No Flammable or Dangerous Materials.** The Premises shall not be used to store, distribute, or otherwise handle flammable or dangerous materials, except as necessary to conduct the Authorized Use. Upon request, Lessee shall provide a list of all flammable or dangerous materials stored or used on the Premises.

4.1.3. **Requirements for Authorized Use.** In conducting the Authorized Use, Lessee shall:

4.1.3.1. Exercise its best commercially reasonable efforts to provide an exception recreational golfing experience for the public.

4.1.3.2. Concurrently with execution of this Lease, provide Lessor with the planned rate and fee schedule for the upcoming golf season, which rates shall be subject to the Lessor's written approval, which shall not be unreasonably withheld, conditioned or delayed. Lessee shall not raise such rates and fees without the Lessor's written approval, which shall not be unreasonably withheld, conditioned or delayed. Lessee's rates and fees shall remain consistent with the range charged by other public golf courses in the Region. As used herein, the term "Region" shall mean the Columbia Gorge, greater Portland, Oregon, and greater Vancouver, Washington area; and

4.1.3.3. Maintain the golf course in good and playable condition of at least equal or better conditions maintained by other public golf courses in the Region. This includes, but is not limited to, keeping the Premises landscaped, attractive, and free of debris and noxious weeds.

4.2. **LESSEE INSPECTION – CONDITION OF PROPERTY.** Prior to executing this Lease, Lessee has fully and carefully inspected the Premises. Lessee accepts the Premises, including all existing improvements thereon, "as is", without further maintenance liability on the part of the Lessor, except as specifically set forth in this Lease. Lessee is not relying on any representations of Lessor as to the Premises' condition, suitability, zoning restrictions, or usability, except Lessor's right to lease the Premises.

4.2.1. **Existing Improvements.** The Premises contain the following improvements: a clubhouse, golf cart storage building, maintenance shop, well house, and irrigation system (the "Existing Improvements") which are owned by Lessor.

4.3. **CONSTRUCTION OF TENANT IMPROVEMENTS.** The Lessee shall abide by the following terms with regard to making improvements to the Premises ("Tenant Improvements").

4.3.1. **Tenant Improvements.** Subject to obtaining Lessor's prior written approval, Lessee may make and install, at its own expense, such Tenant Improvements as are normal and customary in connection with the Authorized Use set forth herein. Lessee's contractor, if any, shall be subject to Lessor's prior approval, not to be unreasonably withheld. Lessor reserves the right to condition its approval upon the Lessee providing payment and/or performance bonds satisfactory to Lessor. Lessee shall submit final plans to, and obtain written approval from, Lessor before commencing any Tenant Improvements. The plans submitted to Lessor for approval shall be the final plans stamped approved by the applicable permitting jurisdiction. Lessor shall have a reasonable period to review such plans prior to issuing a decision. Lessor may charge Lessee a reasonable fee for staff, consultant, or attorney time required to review the plans. All improvements by Lessee shall conform to the requirements of the Americans with Disabilities Act of 1990, 42 U.S.C. §12101 *et seq.* (the "ADA"). Lessee shall provide Lessor a copy of the final "as-built" plans no later than thirty (30) days after completion of any Tenant Improvements. If the Premises is part of a multi-tenant building, Lessor reserves the right to require Tenant Improvements to be made outside of ordinary business hours (i.e., outside of 8 a.m. to 5 p.m., Monday through Friday).

4.3.2. **Unauthorized Improvements.** Any Tenant Improvements made on the Premises without Lessor's prior written consent or which are not in conformance with the plans submitted to and approved by the Lessor ("Unauthorized Improvements") shall immediately become the property of Lessor, unless Lessor elects otherwise. Regardless of the ownership of Unauthorized Improvements, Lessor may, at its option, require Lessee to (i) sever, remove, and dispose of them and return the Premises to its prior condition at Lessee's sole cost and expense; (ii) charge Lessee rent for the use of them; or (iii) both.

4.4. **REMOVAL OF PERSONAL PROPERTY AND TENANT IMPROVEMENTS AT END OF LEASE.** Prior to the conclusion of the Lease, Lessee shall remove Lessee's equipment and personal property from the Premises. In addition, at Lessor's option, Lessee shall remove all Tenant Improvements.

4.4.1. **Lessor's Remedies.** If any required items are not removed from the Premises by the conclusion of the Lease or when Lessor has the right of re-entry, then Lessor may, at its sole option, elect any or all the following remedies: (i) to remove any or all the items and to dispose of them without liability to Lessee; (ii) to have the title to any or all such items revert to Lessor; or (iii) to commence suit against Lessee for damages or for specific performance. Lessor shall not be required to mitigate its damages, to dispose of the items in a commercially reasonable manner, or to make any effort whatsoever to obtain payment for such items. In the event Lessor elects to remove and dispose of the items, the Lessee shall pay Lessor's costs and damages associated with Lessee's failure to remove such items, including, but not limited to, the following: storage, demolition, removal, transportation, and lost rent (collectively "Disposal Costs"); provided, however, that any net proceeds recovered by Lessor in excess of its Disposal Costs will be deducted from Lessee's financial obligation set forth herein. Lessee's financial obligations herein shall survive the termination of this Lease. The foregoing remedies are cumulative and in addition to any other remedies provided by law, and Lessor shall not be required to elect its remedies.

4.5. **MAINTENANCE OF PREMISES.** Lessee is responsible for the maintenance and repair of the Premises, and all improvements thereon including, but not limited to, the Existing Improvements. Without limiting the generality of the foregoing, Lessee shall maintain the Premises in good condition and repair, including, without limitation, all walls, floors, ceiling, interior doors, interior and exterior windows and fixtures, and any damage caused to any portion of the Premises or Lessor's property by Lessee, its employees, agents, licensees, invitees, or anyone on the Premises or Lessor's property as a result of Lessee's activities.

4.6. **UTILITIES AND SERVICES.** Lessee will arrange and pay for all utility connections and services, and the distribution of utilities within the Premises. At the end of this Lease, Lessee shall arrange for such utility services to be terminated and for the final bill to be sent to Lessee. Lessee shall be liable for all utility charges that accrue if it fails to so terminate services.

4.7. **OFF-STREET PARKING.** Lessee agrees to provide space for the parking of vehicles in the number necessary to comply with applicable laws, regulations, and Lessor policies, and otherwise to accommodate its normal business requirements on the Premises included within this Lease. Lessee is not relying on any public streets, rights-of-way, or other properties not included in this Lease for the parking of said vehicles.

ARTICLE V **INSURANCE AND FINANCIAL SECURITY**

5.1. INSURANCE.

5.1.1. **Minimum Scope and Limits of Insurance.** Lessee shall procure and maintain for the duration of the Lease, including, without limitation, any holdover period, insurance against claims for injuries to persons or damages to property that may arise from or in connection with Lessee's operation or use of the Premises, which cost shall be borne by Lessee, as follows:

5.1.1.1 **Commercial Liability Insurance.** Commercial General Liability ("CGL") Insurance policy covering all claims for bodily injury (including, without limitation, death); property damage (including, without limitation, all real and personal property located on the Premises or Lessor's property); and personal and advertising injury arising from the Premises or Lessor's property as a result of or arising out of Lessee's operations under this Lease. The limits of liability shall be not less than Two Million Dollars (\$2,000,000.00) for each occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to the Premises or the general aggregate limit shall be twice the required occurrence limit. Lessor may impose changes in the limits of liability (i) on any Periodic Adjustment Date; (ii) as a condition of approval of assignment or sublease of this Lease; (iii) upon any breach of the environmental liability provision herein; (iv) upon a material change in the condition of any Tenant Improvements; or (v) upon a change in the Authorized Use. If the liability limits are changed, Lessee shall obtain new or modified insurance coverage within thirty (30) days after changes in the limits of liability are required by Lessor. A lapse in coverage shall be considered a default. The CGL policy shall be written on an occurrence basis with the insurer's duty to defend outside of the limits of the policy, meaning that the defense obligation does not erode the liability limits. Any deductible shall be no greater than Twenty-Five Thousand Dollars (\$25,000.00) and defense costs shall satisfy the deductible. All deductibles are the responsibility of Lessee. In the event Lessor pays a deductible, Lessee shall reimburse Lessor no later than thirty (30) days after invoice for the same. No self-insured retentions shall be

allowed unless approved by Lessor in writing. The CGL coverage shall be at least as broad as Insurance Services Office ("ISO") Form CG 00 01. Coverage is to be placed with insurers authorized to conduct business in the State of Washington with a current A.M. Best's rating of no less than A: VII. The CGL policy shall provide coverage for damage to Lessor's property caused by Lessee.

5.1.1.2. Worker's Compensation. Worker's Compensation Insurance as required by the State of Washington with statutory limits. Worker's Compensation Insurance is not required if Lessee provides written verification to Lessor that it has no employees.

5.1.1.3. Property Insurance. Property Insurance against all risk of loss to any Tenant Improvements or personal property at full replacement cost with no coinsurance penalty provision. The property policy is to be endorsed to include Legal Liability Coverage using ISO Form CP 00 40 04 02 or equivalent, with a limit equal to the replacement cost of the Premises.

5.1.1.3.1. Lessee's Casualty Loss Waiver. Lessor, and its commissioners, employees, insurance carriers, and insurance policies, shall not be responsible to Lessee for any loss, damage, or impairment to Lessee's property, whether real, personal or mixed, occasioned by reason of any fire, storm, or other occurrence or event whatsoever. It shall be Lessee's sole responsibility to provide its own protection against losses, damage, and impairment of whatsoever kind or nature, regardless of whether or not such loss, damage, or impairment is occasioned by the acts or omissions of Lessor, Lessee, or a third party, or an act of nature. Lessee hereby releases and discharges Lessor, and its commissioners, employees, insurance carriers, and insurance policies, from any claims for loss or damage to Lessee's property.

5.1.1.4. Automobile Liability. Automobile Liability Insurance using ISO Form CA 00 01 covering any auto, including non-owned and hired autos, with a limit of no less than One Million Dollars (\$1,000,000) per accident for bodily injury and property damage. Automobile liability insurance is not required if Lessee provides written verification to Lessor that it does not own, hire, rent, or borrow any autos in conjunction with its use of the Premises. "Auto" carries the same meaning as found in ISO Form CA 00 01.

5.1.1.5. Excess or Umbrella Insurance. If any Excess or Umbrella Insurance policies are used to meet the limits of liability required herein, said policies shall be "following form" of the underlying policy coverage, terms, conditions, and provisions, and shall meet all of the liability insurance requirements stated herein, as evidenced by a Following Form Endorsement. Such excess or umbrella carrier shall have a duty to defend Lessor outside of the policy limits. No insurance policies maintained by the additional insureds, whether primary or excess, shall be called upon to contribute to a loss until Lessee's primary and excess liability policies are exhausted.

5.1.2. **Higher Insurance Limits.** If Lessee maintains broader coverage and/or higher limits than the minimums required above, Lessor requires, and shall be entitled to, the broader coverage and/or higher limits maintained by Lessee.

5.1.3. **Failure to Obtain and Maintain Insurance.** If Lessee fails to procure and maintain the insurance described above for the Term of the Lease, including any holdover periods, Lessor shall have the right, but not the obligation, to procure and maintain substitute

insurance and to pay the premiums. Upon demand, Lessee shall pay to Lessor the full amount paid by Lessor. Such amount shall be included in the definition of "Rent" under this Lease.

5.1.4. **Prudent Business Insurance.** Lessee believes and states that the insurance obligations herein do not exceed that which the Lessee would otherwise normally place upon itself and obtain in order to operate its business in a prudent manner.

5.2. **INSURANCE PROVISIONS.** The insurance policies required above shall contain, or be endorsed to contain, the following provisions:

5.2.1. **Additional Insured.** The foregoing liability insurance policies shall name Lessor as additional insured by way of a policy endorsement at least as broad as ISO Form CG 20 10. The defense and indemnification of the Lessor as an "additional insured" will not be affected by any act or omission by Lessee which might otherwise result in a forfeiture of said insurance.

5.2.2. **Primary Coverage.** For claims related to or arising from this Lease, Lessee's coverage shall be primary and non-contributory, and at least as broad as ISO CG 20 01 04 13 as respects to Lessor, and its elected officials, employees, or agents.

5.2.3. **Notice of Change or Cancellation.** Each required insurance policy shall provide that coverage shall not be materially changed, amended, or canceled with respect to Lessor except upon thirty (30) days' prior written notice from the insurance company to Lessor.

5.2.4. **Waiver of Subrogation.** Lessee grants Lessor, and its elected officials, employees, and agents, a waiver of any right to subrogation which any insurer of Lessee may acquire against Lessor by virtue of the payment of any loss under such insurance. Lessee shall obtain any endorsement(s) that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether Lessor has received such an endorsement from the insurer.

5.2.5. **Separation of Insureds.** The CGL policy shall contain a separation of insureds provision such that the policy applies separately to each insured that is subject of a claim or suit. The CGL policy shall not contain a cross-claim, cross-suit, or other exclusion that eliminates coverage by one insured against another.

5.2.6. **Certificates and Policy Documents.** Lessee shall provide certificates of insurance, policy declarations, and endorsement pages, and, if requested, copies of any policy to Lessor evidencing insurance compliant with this Article V. Receipt of such documents by Lessor does not constitute approval by Lessor of the terms of such policy.

5.3. **FINANCIAL SECURITY.** A security deposit will be collected on day of commencement.

ARTICLE VI **ENVIRONMENTAL LIABILITY**

6.1. **ENVIRONMENTAL INDEMNIFICATION.** Lessee shall defend (with legal counsel suitable to Lessor), indemnify, and hold Lessor and harmless from any and all claims, demands, judgments, orders or damages resulting from Hazardous Substances on the Premises, Lessor's property caused, in whole or in part, by the activity of the Lessee, and/or its agents, subtenants, or any other person or entity (i) on the Premises as a result of, arising out of, or relating to

Lessee's operations under this Lease, or any previous lease or agreement; or (ii) on Lessor's property as a result of, arising out of, or relating to Lessee's operations during any period of time that Lessee has occupied all or a portion of the Premises during the Term of this Lease, or any previous lease or agreement between Lessor and Lessee. It is the intent of the Parties that Lessee shall be responsible and shall defend and hold Lessor harmless from any Hazardous Substances that have or may occur on the Premises or Lessor's property as a result of, arising out of, or relating to Lessee's operations since Lessee first occupied the Premises, or other portion of the Lessor's property, through this Lease, or any previous lease or agreement between Lessor and Lessee. The term "Hazardous Substances" as used herein shall mean any substance heretofore or hereafter designated as hazardous or deleterious under the Resource Conservation and Recovery Act, 42 USC Sec. 6901 et seq.; the Federal Water Pollution Control Act, 33 USC Sec. 1251 et seq.; the Washington Water Pollution Control Act, RCW 90.48 et seq.; the Clean Air Act, 42 USC Sec. 7401 et seq.; the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 USC Sec. 9601 et seq.; or the Hazardous Waste Cleanup-Model Toxics Control Act ("MTCA"), RCW 70A.305 et seq., all as amended and subject to all regulations promulgated thereunder.

6.1.1. Unconditional Environmental Obligations. Lessee's defense and indemnity obligations under this Article are unconditional, shall not be discharged or satisfied by Lessor's re-entry of the Premises or exercise of any other remedy for Lessee's default under this Lease, shall continue in effect after any assignment or sublease of this Lease, and shall continue in effect after the expiration or earlier termination of this Lease.

6.1.2. Environmental Investigations. Although Lessee shall not be liable for any Hazardous Substances on the Premises that were not caused, in whole or in part, by the activity of the Lessee, and its agents, subtenants, or any other person or entity on the Premises as a result of, arising out of, or relating to Lessee's operations under this Lease, or any previous lease or agreement, Lessee shall be responsible for the costs of any environmental investigations or remediation arising from the development or use of the Premises by Lessee, and Lessee hereby releases the Lessor from any contribution claim for those costs. By way of example only, if the Lessee excavates soil on the Premises which contains Hazardous Substances, then the Lessee will be responsible for the cost associated with disposing of those soils regardless of when or how the Hazardous Substances were released into those soils.

6.2. CURRENT CONDITIONS AND DUTY OF LESSEE. Unless otherwise specifically set forth in this Lease, Lessor makes no representation about the condition of the Premises. Hazardous Substances may exist in, on, under, or above the Premises. Lessee should, but is not required to, conduct environmental assessments or investigations of the Premises prior to or during this Lease to determine the existence, scope, and location of any Hazardous Substances. If there are any Hazardous Substances in, on, under, or above the Premises as of the Commencement Date, Lessee shall exercise the utmost care with respect to the Hazardous Substances, the foreseeable acts or omissions of third parties affecting the Hazardous Substances, and the foreseeable consequences of those acts or omissions.

6.2.1. Prior Notice of Environmental Investigation. Prior to conducting any environmental investigation of the subsurface of the Premises, the Lessee shall provide prior written notice to the Lessor. Lessee shall provide the Lessor with the results of all such investigations.

6.3. STORMWATER MANAGEMENT. Lessee shall at all times, and at its sole cost and expense, comply with all applicable rules, codes, laws, and regulations regarding stormwater management, which by way of example and not limitation, may require Lessee to obtain an Industrial Stormwater or Boatyard General Permit from Ecology in association with its Authorized Use. Any actions required for Lessee's compliance with its stormwater management obligations shall be at Lessee's sole and exclusive expense. It is the intent of this Section that Lessee shall be solely responsible for all actions needed and costs incurred to manage, collect, treat, and discharge stormwater from the Premises during the Term of this Lease, including, without limitation, any renewal and holdover periods. Discharging stormwater without any required permit is a default under this Lease.

6.3.1. Exceedances from Premises. Stormwater permits require (i) monitoring and sampling of discharges from the Premises with regard to benchmarks set forth in the operative permit; and (ii) compliance with a Stormwater Pollution Prevention Plan ("SWPPP"). Any exceedance of a benchmark value for the constituents analyzed is an "Exceedance." Lessee is responsible, at its sole cost and expense, for the condition of stormwater discharged and/or collected from the Premises, including, without limitation, preventing and responding to Exceedances as set forth in the operative stormwater permit.

6.3.2. Indemnification. Lessee shall indemnify, defend (with counsel acceptable to Lessor), release, and hold harmless Lessor from any alleged violations of (i) Section 6.3 of this Lease; (ii) any permits, approvals, or authorizations associated with or related to Lessee's stormwater discharge; (iii) applicable local code sections related to stormwater; (iv) the Washington Water Pollution Control Act, RCW 90.48 et seq. ("WPCA"); and/or (v) the Federal Water Pollution Control Act, 33 U.S.C. Sec. 1251 et seq., also known as the Clean Water Act ("CWA")

6.3.3. Duty to Comply. Lessee has an ongoing duty to comply with any applicable stormwater permit, the WPCA, and the CWA.

6.4. NOTIFICATION AND REPORTING. Lessee shall immediately notify Lessor if Lessee becomes aware of any of the following:

a. A release or threatened release of Hazardous Substances in, on, under, or above the Premises, any adjoining property, or any other property subject to use by Lessee in conjunction with its use of the Premises;

b. Any problem or liability related to or derived from the presence of any Hazardous Substance in, on, under, or above the Premises, any adjoining property, or any other property subject to use by Lessee in conjunction with its use of the Premises;

c. Any actual or alleged violation of any federal, state, or local statute, ordinance, rule, regulation, or other law pertaining to Hazardous Substances with respect to the Premises, any adjoining property, or any other property subject to use by Lessee in conjunction with its use of the Premises; or

d. Any lien or action with respect to any of the foregoing.

6.4.1. Copies of All Environmental Reports. Lessee shall, at Lessor's request, provide Lessor with copies of any and all reports, studies, or audits which pertain to environmental issues or concerns with the Premises, and which are or were prepared by or for

Lessee and submitted to any federal, state, or local authorities pursuant to any federal, state, or local permit, license, or law. These permits include, but are not limited to, any National Pollution Discharge and Elimination System permit, any Army Corps of Engineers permit, any State Hydraulics permit, any State Water Quality certification, or any Substantial Development permit.

ARTICLE VII **MISCELLANEOUS PROVISIONS**

7.1. **LESSEE WILL OBTAIN PERMITS.** Lessee shall obtain and comply with all necessary permits for any Tenant Improvements and the Authorized Use. Lessee shall defend, indemnify, and hold Lessor harmless for any costs, fines, or fees (including attorneys' fees and costs) incurred by Lessor if Lessee fails to obtain or comply with such permit requirements.

7.2. **LIENS.** Lessee shall keep the Premises free and clear of all liens and charges whatsoever. Lessee shall not allow any mechanics' and materialmen's liens, or any other liens, to be placed upon the leased Premises. If such a lien is placed or recorded, Lessee shall cause it to be discharged of record, at its own expense, within ten (10) days of Lessor's demand.

7.3. **INDEMNIFICATION AND HOLD HARMLESS.** The Lessee shall defend (with legal counsel reasonably acceptable to Lessor), indemnify, and hold harmless the Lessor, and its officers, employees, and/or agents, from any and all demands, claims, judgments, or liability for loss or damage arising as a result of accidents, injuries, or other occurrences on the Premises or on Lessor's property, (i) occasioned by either the negligent or willful conduct of the Lessee and/pr its agents; or (ii) made by any person or entity holding under the Lessee, or any person or entity on the Premises or the Lessor's property as a result of Lessee's Authorized Use, regardless of who the injured Party may be. This indemnification and hold harmless shall not apply to the extent the damages were caused by the gross negligence or willful misconduct of the Lessor.

7.4. **LIMITED WAIVER OF IMMUNITY UNDER WASHINGTON STATE INDUSTRIAL INSURANCE ACT, TITLE 51 RCW AND OTHER SIMILAR INDUSTRIAL INSURANCE SCHEMES.** For purposes of the foregoing indemnification provision, and only to the extent of claims against Lessee by Lessor under such indemnification provision, Lessee specifically waives any immunity it may be granted under the Washington State Industrial Insurance Act, Title 51 RCW, The United States Longshore and Harbor Workers Compensation Act, 33 USC §901-950, or any other similar workers' compensation schemes. The indemnification obligation under this Lease shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under workers' compensation acts, disability benefit acts, or other employee benefit acts. The foregoing provision was specifically negotiated and agreed upon by the Parties hereto.

7.5. **LAWS AND REGULATIONS.** Lessee shall comply with all applicable rules, codes, laws, regulations, and Lessor policies in connection with its Authorized Use and Tenant Improvements, and shall not permit the Premises to be used in violation of any applicable rule, code, law, regulation, Lessor policy, or other authority.

7.5.1. **Environmental Laws and Regulations.** Lessee's obligations herein shall include, but in no way be limited to, the obligation to comply with all state and federal

environmental laws and regulations. Lessee shall defend (with legal counsel reasonably acceptable to Lessor), indemnify, and hold harmless the Lessor from any fine, penalty, or damage imposed by any lawful authority as a result of the Lessee's failure to comply herewith.

7.6. **WASTE AND REFUSE.** Lessee shall not allow conditions of waste and refuse to exist on the Premises, and shall keep the Premises in a neat, clean, and orderly condition.

7.7. **TAXES AND ASSESSMENTS.** Lessee shall timely pay all taxes assessed against the leasehold interest and a pro rata share of any assessments made against the Premises for installation of public utility systems, based upon a reasonable overall sharing program among all properties within the assessment area.

7.8. **SIGNS.** Lessee shall not install signs without the Lessor's prior written consent. If the Lessee installs an unauthorized sign, Lessor may impose a One Hundred Dollar (\$100.00) per day fine after providing twenty-four (24) hours' notification to remove the sign. The penalty shall automatically resume, without notice, if the sign is reinstalled after having been removed. The penalty accrued shall be paid with the next month's Base Rent. The fine authorized herein is in addition to Lessor's other enforcement rights for a breach of Lease set forth herein.

7.9. **EQUAL OPPORTUNITY.** Lessee shall be an equal opportunity employer in accordance with Title VII of the Civil Rights Act of 1964, 42 USC §2000 et seq., and shall comply with all requirements of the ADA.

7.10. **ASSIGNMENT OF LEASE.** No rights to the Premises shall pass by operation of law or other judicial process, or through insolvency proceedings. Lessee shall not assign, rent, or sublease (each an "Assignment") any portions of this Lease, or any extension thereof, without the prior written consent of Lessor. If Lessor approves an Assignment, the rights and obligations under this Lease extend to and are binding upon the Lessor's respective successors, representatives, and assigns as the case may be. Lessee shall furnish Lessor with copies of all Assignment documents. For the purposes of this Lease, any change of ownership, including sale, liquidation, or other disposition of some or all of the corporate stock or limited liability company units, constitutes an Assignment. Should the Lessor consent to an Assignment for the purposes of Lessee obtaining a loan or other consideration from a third party, Lessor's consent shall be made in accordance with the Lessor's form consent document, a copy of which form shall be provided by Lessor upon request.

7.10.1. **Remedy If Lessor Denies Assignment.** If Lessor denies an Assignment, Lessee's sole and exclusive remedy shall be the right to bring a declaratory judgment action to determine whether Lessor was entitled to deny such the Assignment. Lessee expressly waives any claims for damages related to or arising out of Lessor's denial of an Assignment.

7.10.2. **No Waiver of Future Consents.** Lessor's consent to an Assignment does not waive Lessee's requirement to obtain consent for any other or later Assignment. Lessor's acceptance of Rent or other performance following an Assignment, whether or not Lessor has knowledge of the Assignment, shall not constitute consent to the same nor a waiver of the requirement to obtain consent.

7.10.3. **Transfer Fee.** Lessee shall pay an administrative handling and transfer fee ("Transfer Fee") of Three Hundred Dollars (\$300.00) if Lessee requests consent to a proposed

Assignment (including an assignment to a creditor for security purposes) or sublease. The Transfer Fee shall be due when Lessee requests Lessor's consent.

7.10.4. **Attorneys' Fees.** In addition to the Transfer Fee, Lessee shall pay Lessor's reasonable and customary attorneys' fees incurred relating to a proposed Assignment or in the event Lessee seeks to amend the Lease. Payment is due no later sixty (60) days after Lessor's invoice. The Lessee shall not be obligated to pay the Lessor's attorneys' fees if Lessor denies the requested Assignment.

7.10.5. **Excess Rent.** If, pursuant to an Assignment, Lessee receives rent, either initially or over the term of the Assignment (i) in excess of the Rent called for hereunder; or (ii) in the case of an Assignment of a portion of the Premises, in excess of such Rent fairly allocable to such portion, after appropriate adjustments to assure that all other payments called for hereunder are appropriately taken into account, Lessee shall pay to Lessor, as Additional Rent, fifty percent (50%) of the excess of all rent received by Lessee after its receipt. Notwithstanding the foregoing, if Lessee receives rent in excess of the Rent called for hereunder as a result of Lessee's Tenant Improvements, this Paragraph shall not apply.

7.10.6. **Lessee's Liability on Assignment or Sublease.** In the event Lessee breaches its obligation to pay Rent or other amounts due and owing hereunder, the Lessor may collect Rent from anyone occupying the Premises as a result of an Assignment and apply the net amount collected to the Rent herein reserved, but no such collection from such assignee shall waive Lessee's requirement to obtain Lessor's permission for an Assignment or release Lessee from the further compliance with the Lease. An Assignment shall not affect the continuing primary liability of Lessee which, following an Assignment, shall be joint and several with the assignee.

7.10.7. **Proceed Against Lessee.** Notwithstanding any Assignment, or any indulgences, waivers, or extensions of time granted by Lessor to any assignee, Lessor may, at its option, proceed against Lessee without having taken action against or joined the assignee, except that Lessee shall have the benefit of any indulgences, waivers, and extensions of time granted to any such assignee.

7.10.8. **Assignee/Sublessee Insurance.** In the event the Lessor approves an Assignment, the assignee shall provide Lessor with insurance certificates and/or endorsements evidencing the assignee's compliance with the Lease's insurance provisions, including, but not limited to, the endorsement of Lessor as an additional insured under such policy or policies.

7.11. **DEFAULT, CROSS DEFAULT, AND REMEDIES.**

7.11.1. **Monetary Defaults.** Failure to pay Rent or any other monetary obligations by the first (1st) day of each month shall constitute a default. If Lessee fails to cure a monetary default after ten (10) days' written notice and opportunity to cure, the Lessor may take any action under law or equity, including, but not limited to, entering and taking possession of the Premises and/or terminating the Lease. Lessee expressly authorizes Lessor to obtain a prejudgment writ of restitution in the event of Lessee's uncured default. This remedy is in addition to and is not exclusive of any other remedies provided either by the Lease, law, or equity.

7.11.2. **Non-monetary Defaults.** If Lessee fails to comply with the terms of this Lease, other than the payment of Rent or other monetary obligations, and fails to cure such non-monetary default after thirty (30) days' written notice and opportunity to cure, the Lessor may take any action under law or equity, including, but not limited to, entering and taking possession of the Premises and/or terminating the Lease. This remedy is in addition to and is not exclusive of any other remedies provided either by the Lease, law, or equity.

7.11.3. **Other Defaults.** The following shall also constitute a default under the terms of this Lease: (i) Lessee's uncured default under any other agreement or lease with the Lessor; (ii) insolvency of Lessee; (iii) Lessee's assignment for the benefit of creditors; (iv) Lessee's filing of a voluntary petition in bankruptcy; (v) an adjudication that Lessee is bankrupt or the appointment of a receiver of the properties of Lessee; (vi) the filing of an involuntary petition of bankruptcy and Lessee's failure to secure a dismissal of the petition within thirty (30) days after filing; and (vii) attachment of or the levying of execution on the leasehold interest and Lessee's failure to secure a discharge of the attachment or release of the levy of execution within ten (10) days.

7.11.4. **Multiple Defaults in a Year.** If within any one (1)-year period, Lessor serves upon the Lessee three (3) default notices, then Lessee shall, upon a subsequent violation of this Lease, be deemed to be in unlawful detainer, and Lessor may, in addition to any other remedies it may have, immediately terminate the Lease and/or commence an unlawful detainer action without further notice to Lessee.

7.11.5. **Cross-Default.** An uncured default under this Lease constitutes a default under any other lease or agreement between Lessee and Lessor (each a "Collateral Agreement"). Likewise, any uncured breach or default under a Collateral Agreement constitutes material breach or default of this Lease. If a Collateral Agreement is terminated for Lessee's uncured breach or default, then Lessor shall be entitled to terminate this Lease upon five (5) days' written notice to Lessee.

7.11.6. **Other Remedies.** In addition to the foregoing remedies, Lessor may exercise any remedies or rights under the laws of the State of Washington, including, but not limited to, recovering damages for past due Rent, future Rent, costs to re-let the Premises, and costs to restore the Premises to its prior condition (reasonable wear and tear excepted). Under no circumstances shall Lessor be held liable in damages or otherwise by reason of any lawful re-entry or eviction. Lessor shall not, by any re-entry or other act, be deemed to have accepted any surrender by Lessee of the Premises or be deemed to have otherwise terminated this Lease or to have relieved Lessee of any obligation hereunder. Lessor shall be under no obligation to observe or perform any covenant of this Lease after the date of any material default by Lessee unless and until Lessee cures such default. A fee of Five Hundred Dollars (\$500.00) shall be assessed to Lessee for each default notice issued to Lessee to defray the costs associated with preparing, issuing, and serving such notice. This fee shall be payable on the first (1st) day of the month following the issuance of the Default Notice.

7.12. **TERMINATION.** Lessor shall be entitled to terminate this Lease for default if Lessee fails to timely cure any default within the time provided for herein. Upon termination of this Lease, or any extension thereof, whether by expiration of Term or sooner termination, Lessee shall surrender the Premises peaceably and quietly. Lessee shall restore the Premises to the condition existing at the Commencement Date, except for (i) normal wear and tear; and (ii) any Tenant Improvements Lessor permits to remain on the Premises.

7.13. **NON-WAIVER.** Neither the acceptance of Rent nor any other act or omission of Lessor after a default by Lessee or termination shall (i) operate as a waiver of any past or future default by Lessee; (ii) deprive Lessor of its right to terminate this Lease; or (iii) be construed to prevent Lessor from promptly exercising any other right or remedy it has under this Lease. Any waiver by Lessor shall be in writing and signed by Lessor in order to be binding on Lessor.

7.14. **NOTICES.** Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other Party shall be in writing addressed to the other Party at the addresses set forth in Article I, above, or such address as may have been specified by notifying the other Party of the change of address. Notice shall be deemed served on the date of e-mailing, actual delivery, or the first (1st) attempted delivery as shown on the return receipt if mailed with the United States Postal Service by certified mail, return receipt requested.

7.15. **SECURITY.** Lessee specifically acknowledges that Lessor has no duty to provide security for the Premises or Lessor's adjacent property. Lessee assumes sole responsibility and liability for the security of itself, its employees, customers, and invitees, and their respective property in or about the Premises or Lessor's adjacent property. To the extent Lessor elects to provide any security, Lessor does not warrant the effectiveness of any such security personnel, services, procedures, or equipment. Lessor shall not be responsible or liable in any manner for failure of any such security personnel, services, procedures, or equipment to prevent or control, or apprehend anyone suspected of personal injury or property damage in, on, or around the Premises or Lessor's adjacent property.

7.16. **QUIET ENJOYMENT.** Lessor acknowledges that it has ownership of the Premises and that it has the legal authority to lease the Premises to Lessee. Lessor covenants that Lessee shall have quiet enjoyment of the Premises during the Term of this Lease so long as Lessee complies with this Lease and subject to Lessor's right of entry onto the Premises as set forth herein.

7.16.1. **Easements.** The Lessor reserves the right to grant easements and other land uses on the Premises to others when the easement or other land uses will not unduly interfere with the Authorized Use or with the Premises' approved development plan.

7.16.2. **Closure by Government Order.** Various federal agencies, including the Department of Homeland Security and the U.S. Coast Guard, have the authority to restrict access to certain areas on the Lessor's property in order to counter a terrorist or other threat. Such restrictions could impact Lessee's ability to access the Premises for an indefinite period of time. Since these restrictions are outside the Lessor's control, such interruptions shall not be deemed a violation of this Lease or the covenant of quiet enjoyment.

7.16.3 **Existing Encumbrances.** Lessee acknowledges that the Premises, and Lessee's Authorized Use of the same, are subject to the encumbrances attached hereto as Exhibit C (the "Existing Encumbrances").

7.17. **LESSOR MAY ENTER PREMISES.** The duly authorized officers or agents of Lessor may enter to view said Premises at any time, and if the business or normal function of Lessor should at any time require that it enter upon the Premises to perform any work or make any

improvements, it may do so, but not in such manner as to materially injure Lessee's normal and usual operations.

7.18. **TIME.** It is mutually agreed and understood that time is of the essence of this Lease, and that a waiver of any default of Lessee shall not be construed as a waiver of any other default.

7.19. **INTERPRETATION.** This Lease has been submitted to the scrutiny of the Parties hereto and their counsel, if desired. In any dispute between the Parties, the language of this Lease shall, in all cases, be construed as a whole according to its fair meaning. If any provision is found to be ambiguous, the language shall not be construed against the drafting Party. If any word, clause, sentence, or combination thereof for any reason is declared by a court of law or equity to be invalid, illegal, or unenforceable against one Party or the other, then such finding shall in no way affect the remaining provisions of this Lease.

7.20. **HOLDING OVER.** If the Lessee remains in possession of said Premises after the Term without Lessor's prior written consent, such holding over shall constitute and be construed as tenancy at sufferance only, at a monthly rent equal to one hundred fifty percent (150%) of the Base Rent owed during the final month of the Term of this Lease and otherwise upon the terms and conditions in this Lease. If Lessee holds over with Lessor's prior written consent, then Lessee shall continue to make payments to Lessor on a month-to-month basis as provided for in this Lease. Such authorized holdover tenancy may be terminated by either Party at the end of any such monthly period by sending written notice not less than five (5) days before the end of such period. Such authorized holdover tenancy shall be subject to all terms and conditions contained herein.

7.21. **SURVIVAL.** All obligations of the Lessee, as provided for in the Lease, shall not cease upon the termination of this Lease and shall continue as obligations until fully performed. All clauses of this Lease which require performance beyond the termination date shall survive the termination date of this Lease.

7.22. **GOVERNING LAW.** This Lease, and the right of the Parties hereto, shall be governed by and construed in accordance with the laws of the State of Washington, and the Parties agree that in any such action, jurisdiction and venue shall lie solely and exclusively in Skamania County, Washington. The Parties irrevocably waive their rights to federal court jurisdiction and trial by jury.

7.23. **ATTORNEYS' FEES.** The substantially prevailing Party in any action to enforce any term or condition of this Lease shall be entitled to an award of its reasonable costs and attorneys' fees.

7.24. **ESTOPPEL CERTIFICATES.** At Lessee's request, Lessor agrees to execute and deliver to Lessee or its lender(s) a customary estoppel certificate in a form acceptable to the Lessor which sets forth the following information: (i) the terms and conditions of this Lease; (ii) the status of the Rent payments under the Lease; and (iii) Lessor's knowledge of any breaches or anticipated breaches of the Lease. Lessor shall have no obligation to execute an estoppel certificate which requests any information other than as set forth above. Lessee shall reimburse the Lessor for all staff time incurred and attorneys' fees incurred relating to the estoppel certificate sixty (60) days of the invoice.

7.25. **ATTORNMEN**. In the event the Premises are sold, Lessee shall attorn to the purchaser upon the sale; provided, however, that the purchaser expressly agrees in writing that, so long as Lessee is not in default under the Lease, Lessee's possession and occupancy of the Premises will not be disturbed and that such purchaser will perform all obligations of Lessor under the Lease.

7.26. **FORCE MAJEURE**. The occurrence of an event which materially interferes with the ability of a Party to perform its obligations or duties hereunder which is not within the reasonable control of the Party or any of its affiliates, and which could not with the exercise of diligent efforts have been avoided, including, but not limited to, weather, governmental/agency action or inaction, war, rebellion, earthquake, fire, epidemic/pandemic, strike, riot, civil commotion, act of God, and/or similar such events (each a "Force Majeure Event"), shall not excuse such Party from the performance of its obligations or duties under this Agreement, but shall merely suspend such performance during the Force Majeure Event. The Party subject to a Force Majeure Event shall notify the other Party in writing no later than three (3) days after the occurrence of such Force Majeure Event and shall provide the other Party, from time-to-time, with its best estimate of the duration of such Force Majeure Event and with notice of the termination thereof. The Party so affected shall use diligent efforts to avoid or remove such causes of non-performance as soon as is reasonably practicable. Upon termination of the Force Majeure Event, the performance of any suspended obligation or duty shall recommence without delay. Notwithstanding the foregoing, Force Majeure Events shall not excuse Lessee's non-payment of any financial obligations under this Lease, including, but not limited to, the payment of Rent.

7.27. **COUNTERPARTS AND ELECTRONIC TRANSMISSION**. This Lease may be signed in counterparts. Electronic transmission of any signed original document, and retransmission of any signed electronic transmission, shall be the same as delivery of an original document.

7.28. **ENTIRE AGREEMENT**. This Lease contains all of the understandings between the Parties. Each Party represents that no promises, representations, or commitments have been made by the other as a basis for this Lease which have not been reduced to writing herein. No oral promises or representations shall be binding upon either Party, whether made in the past or to be made in the future, unless such promises or representations are reduced to writing in the form of a modification to this Lease and executed with all necessary legal formalities by the Commission of the Port of Skamania County.

7.29. **VALIDATION. IN WITNESS WHEREOF**, Lessor has caused this instrument to be signed by its President and Secretary by authority of the Commission of the Port of Skamania County, and this instrument has been signed and executed by Lessee, the day and year first above written.

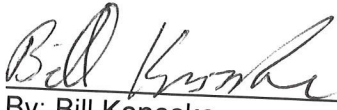
THIS LEASE CONTAINS INDEMNIFICATIONS FROM THE LESSEE TO THE LESSOR, RELEASES BY THE LESSEE AND A LIMITED WAIVER OF IMMUNITY UNDER THE WASHINGTON STATE INDUSTRIAL INSURANCE ACT, TITLE 51 RCW, OR ANY OTHER SIMILAR WORKERS' COMPENSATION SCHEMES

LESSEE:

LESSOR:

LESSEE:

Beacon Rock Golf Course LLC

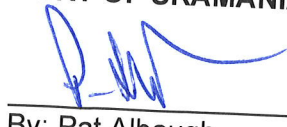


By: Bill Konoske

Its: Owner

LESSOR:

PORT OF SKAMANIA COUNTY



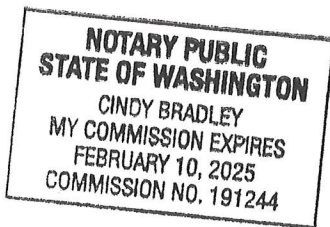
By: Pat Albaugh

Its: Executive Director

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAMANIA)

On this day before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared, Dat Albaugh and N/A, to me known to be the Executive Director, respectively, of the **PORT OF SKAMANIA COUNTY** and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute the said instrument on behalf of the corporation.

GIVEN under my hand and official seal this 10th day of December, 2024



Cindy Bradley
Print Name: Cindy Bradley
NOTARY PUBLIC in and for the
State of Washington, residing at Carson WA
My commission expires: 2/10/25

STATE OF WASHINGTON)
) ss.
COUNTY OF Skamania)

On this day before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared, Bill Konoske to me known to be the member of BRCG, LLC, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute the said instrument on behalf of the corporation.

GIVEN under my hand and official seal this 4th day of December, 2024.

Cindy Bradley
Print Name: Cindy Bradley
NOTARY PUBLIC in and for the
State of Washington, residing at Carson, WA
My commission expires: 2/10/2025

EXHIBIT A
LEGAL DESCRIPTION OF PREMISES

**EXHIBIT B
MAP OF PREMISES**

EXHIBIT C
EXISTING ENCUMBRANCES