

LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered into this 9th day of May, 2012, by and between **CLARK COUNTY CEMETERY DISTRICT NO. 4**, a municipal corporation, hereinafter designated as "Lessor," and **NORTHWEST DISTRICT OF THE WESLEYAN CHURCH**, an Oregon corporation, hereinafter designated as "Lessee,"

WITNESSETH:

That for and in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

1. DESCRIPTION OF RENTAL PREMISES

The Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the premises consisting of the "Hazen Chapel" located at 38806 NE 119th Avenue, Amboy, Clark County, Washington 98601, which chapel is located on a portion of the following described real property:

Clark County Tax Parcel No. 264122000

#1 SEC 22 T5NR2EWM 2A

Beginning at the Northeast corner of the Northwest Quarter of the Southwest Quarter of Section 22, Township 5 North, Range 2 East of the Willamette Meridian, Clark County, Washington, and running thence West 18 rods; thence South 18 rods; thence East 18 rods; and thence North 18 rods to the point of beginning.

It is understood that the historical furnishings in the Hazen Chapel, being the 23 pews that were hand made by local persons and the pulpit are included in this Lease.

It is further understood that the cemetery property adjacent to the Hazen Chapel is not included in this lease.

2. TERM OF LEASE

A. It is understood that Lessee has been using the Hazen Chapel with the permission of Lessor. The parties' predecessors had an agreement for the use of the Hazen Chapel recorded under Clark County Auditor's File No. G 313653, but such agreement is no longer valid since such predecessors no longer exist.

B. This Lease will be deemed to commence May 1, 2012 and shall continue indefinitely, unless terminated by the terms of this agreement.

C. Notwithstanding any other provisions herein, Lessee may terminate this Lease by providing Lessor 30 days advance written notice of such termination, and Lessor may terminate this Lease by providing Lessee six months advance written notice of such termination.

3. RENTAL

Lessee shall not be required to pay rent; however, Lessee will be required to pay all costs of maintaining and repairing the premises as required herein.

4. USE

Lessee shall be entitled to the use of the premises above described for the purpose of conducting Lessee's regular church services and church related activities, and for no other purposes. Lessee agrees it shall not occupy said premises or use the same in such manner as to become a nuisance, and shall, at its sole cost and expense, comply with all governmental laws, rules, orders, regulations or requirements relating to its use and occupancy of said premises. Lessee shall not allow use of the premises in a manner which would increase insurance premiums or for any illegal purposes.

5. MAINTENANCE, ALTERATIONS AND REPAIRS

A. Lessee has inspected the demised premises, and they are now tenantable and in good repair.

B. Lessee shall take good care of the demised premises and the historical furnishings therein, and shall be solely responsible for providing and paying the costs of all cleaning, repairs and maintenance to the interior and exterior of the premises and to the historical furnishings.

C. Lessee shall not alter or change the demised premises or the historical furnishings therein without the prior, express, and written consent of Lessor. Any alterations made shall remain on and be surrendered with the premises on termination of

this Lease. Lessee shall, at the termination of this lease, surrender the demised premises including all of the historical furnishings therein, to Lessor in as good condition and repair as reasonable and proper use of the premises will permit.

D. Lessee shall permit Lessor and Lessor's agents to enter the demised premises at all reasonable times to inspect them or for any other lawful purpose.

6. UTILITIES

Lessee shall pay as the same become due all gas, electricity, water, lighting, heat, air conditioning, telephone, garbage, recycling charges, heating oil or any other utilities used, rendered or supplied in connection with the leased premises, including, without limitation, paying any deposits and "hook up charges". Lessor shall not be liable to Lessee for interruption in or curtailment of any utility service. The cost of maintaining and repairing the well, plumbing, septic, electrical distribution, and mechanical systems, and other utility installations shall be borne by the Lessee.

7. INDEMNIFICATION / HOLD HARMLESS

Lessee shall defend, indemnify, and hold harmless the Lessor, its officers, officials, employees and volunteers from and against any and all claims, suits, actions, or liabilities for injury or death of any person, or for loss or damage to property, which arises out of Lessee's use of the leased premises, or from the conduct of Lessee's church services, or from any activity, work or thing done, permitted, or suffered by Lessee in or about the leased premises, except only such injury or damage as shall have been occasioned by the sole negligence of the Lessor.

8. WAIVER OF CLAIMS AND LIABILITY OF LESSEE

A. Lessee waives all claims against Lessor, its officers, officials, employees and volunteers for damages to personal property or for injuries or death to persons on or about the demised premises from any cause arising at any time, including without limitation injuries arising from latent or patent defects of the premises.

B. Lessee agrees to pay for all damage to the leased premises, as well as all damage or injury suffered by persons using the leased premises caused by the misuse or neglect by Lessee.

9. INSURANCE

Lessor may, but is not required to, obtain fire and/or other types of insurance on the leased premises. Lessee understands that any such insurance obtained by Lessor will not be for Lessee's benefit.

Lessee understands that if Lessee wants to obtain any liability, personal property contents or other types of insurance, it will need to obtain its own policy or policies of such insurance at Lessee's own expense.

10. DESTRUCTION AND DAMAGE:

A. If the premises are totally or partially destroyed for any cause, rendering the premises totally or partially inaccessible or unusable, either Lessor or Lessee may elect to terminate this Lease.

B. In the event this Lease is not terminated by Lessor or Lessee following partial or total destruction of the premises and Lessor restores the premises, then this Lease will continue in full force and effect. Lessee will not have any claims against Lessor arising out of the premises not being usable during the period of time commencing with the date of the damage or destruction and continuing through the period of restoration.

11. ASSIGNMENT AND SUBLEASE BY LESSEE PROHIBITED

It is understood that this lease shall not be assigned or transferred in any manner by Lessee (whether directly, indirectly, or by the operation of law), nor shall the premises be subleased by Lessee without the written consent of Lessor. A consent to one assignment, sublease or occupation or use by any other entity or person shall not be a consent to any subsequent assignment, sublease, or occupation or use by another entity or person. Any assignment or subletting without consent shall be void.

12. CONVEYANCE OF THE PREMISES

Lessor shall have the right at any time to sell or transfer the leased premises, subject to the terms of this lease, and upon such conveyance all liability on the part of Lessor named herein shall cease.

13. NON-WAIVER OF BREACH

The failure of either party to insist upon strict performance of any of the covenants or agreements of this lease in any one or more instances shall not be construed to be a waiver or relinquishment of any such or any other covenants or agreements but shall remain in full force and effect.

14. HEIRS AND SUCCESSORS

Subject to the provisions herein pertaining to the assignment and subletting, the covenants and agreements of this lease shall be binding upon the heirs, legal representatives, successors and assigns of all of the parties hereto.

15. SIGNS

The Lessee shall not install any signs on the exterior of the leased premises without the prior written consent of the Lessor.

16. DEFAULT

A. Lessor's Right to Repossess

If Lessee shall fail to promptly perform any covenant, condition, or provision by it to be performed hereunder and such failure shall continue for a period of fifteen (15) days after notice in writing specifying the nature of such failure, or if Lessee abandons the demised premises, or if Lessee breaches any obligation under this lease by it to be performed which cannot be cured, then, and in any such event, Lessee shall be deemed to be in default and Lessor, without further notice may terminate this Lease and any and all interest of Lessee hereunder, and may thereupon immediately re-enter and take possession of the demised premises, including all improvements thereon and fixtures located at, in, or about the same.

B. Lessor's Right to Perform Lessee's Duties at Lessee's Cost

Notwithstanding any provision as to notice contained in this lease, if in the judgment of Lessor the continuance of any default by Lessee, for the full period of the notice otherwise provided for will jeopardize the premises or the rights of Lessor, Lessor may, without notice, elect to perform those acts in respect of which Lessee are in default, at the expense of Lessee, and Lessee shall thereupon reimburse Lessor, with interest at the highest legal rate or 12 per cent per annum, whichever is greater, on thirty (30) days' notice by Lessor to Lessee.

C. Lessor's Remedies Not Limited

In addition to the express remedies available to Lessor provided in this Lease, in the event Lessee fails to comply with any provision of this Lease, Lessor will have the right to pursue all remedies available to Lessor at law or in equity. Each and all of the remedies available to Lessor shall be cumulative, and the exercise of one right or remedy by Lessor shall not impair its right to exercise any other right or remedy.

D. Lessee's Waiver of Claims Against Lessor:

Lessee hereby waives all claim or demand for damages that may be caused by Lessor in re-entering and taking possession of the demised premises as hereinbefore provided, and all claim or demand for damages which may result from the destruction or of damage to the demised premises and all claim or demand for damages or loss of property belonging to Lessee or to any other person, firm, or corporation as may be in or on the premises at the time of such re-entry.

E. Limitation of Notice Period of Governmental Order

Notwithstanding any provision as to notice in this section, if Lessee is required to comply with any governmental regulation or order within a period less than that to which Lessee would otherwise be entitled to notice, Lessee shall not be entitled to notice beyond the period within which such compliance may be required by such regulation or order.

17. NOTICES

All notices required or permitted by this lease to be given by either of the parties shall be in writing and shall be deemed given if actually deposited in the United States Mail, postage prepaid and certified, addressed as follows:

If to Lessor, it shall be addressed to:

Clark County Cemetery District No. 4
PO Box 90
Amboy, WA 98601

If to Lessee, it shall be addressed to:

NORTHWEST DISTRICT OF THE WESLEYAN CHURCH

Northwest District of the Wesleyan Church
Rev. Larry Womelsdorf
38813 NE 119th Avenue
Amboy, WA 98601

And a copy of any notice to Lessee shall also be sent to:

Dr. Karl Westfall
5707 NE 78th Street
Vancouver, WA 98665

Either party may change its address for the purpose of notice by giving written notice of such change in the manner provided herein.

18. ONLY AGREEMENT BETWEEN PARTIES

This agreement constitutes and embodies the entire agreement between the parties and there are no warranties, representations, understandings or agreements, oral or written, express or implied, between the parties hereto.

19. EXPENSES OF ENFORCEMENT

Should either party incur any expense in enforcing any provision of this lease, the party in default shall pay to the other all expenses so incurred, including reasonable attorney's fees.

IN WITNESS WHEREOF, the parties hereto have executed this lease in triplicate as of the day and year first above set out and under terms and conditions herein.

**CLARK COUNTY CEMETERY
DISTRICT NO. 4**

By: Robert McClellan
ROBERT MCCLELLAN,
Commissioner and Authorized
Representative

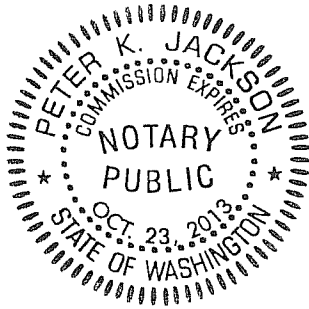
**NORTHWEST DISTRICT OF THE
WESLEYAN CHURCH**

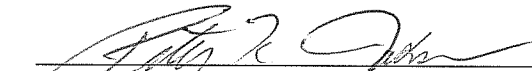
By: Karl Westfall
KARL WESTFALL,
District Superintendent and Authorized
Representative

STATE OF WASHINGTON)
 : ss.
COUNTY OF CLARK)

I certify that I know or have satisfactory evidence that ROBERT MCCLELLAN is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a Commissioner and an authorized representative of CLARK COUNTY CEMETERY DISTRICT NO. 4, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this 7 day of May, 2012.



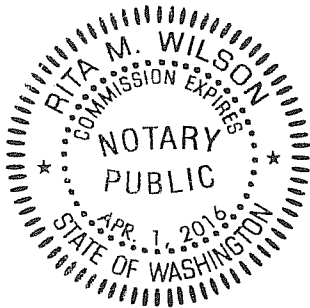



NOTARY PUBLIC in and for the State
of Washington; my appointment
expires: 10-23-13

STATE OF WASHINGTON)
 : ss.
COUNTY OF CLARK)

I certify that I know or have satisfactory evidence that KARL WESTFALL is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the District Superintendent and an authorized representative of NORTHWEST DISTRICT OF THE WESLEYAN CHURCH to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this 9th day of May, 2012.





NOTARY PUBLIC in and for the State
of Washington; my appointment
expires: 4-1-16