FY2027 CANYON COUNTY/NORMAN FAMILY TRUST LEASE AGREEMENT

This **CANYON COUNTY/NORMAN FAMILY TRUST LEASE AGREEMENT** (hereafter the "Lease Agreement") is made and entered into between the **NORMAN FAMILY TRUST** whose address is P.O. Box 2638, Eagle, Idaho 83616 ("Lessor") and **CANYON COUNTY,** a political subdivision of the State of Idaho ("Lessee"), whose address for purposes hereof is 1115 Albany Street, Caldwell, Idaho 83605.

SECTION 1: LEASEHOLD AND OCCUPANCY

1.1 Description of Leasehold: Lessor has agreed to lease to Lessee and Lessee has agreed to lease from Lessor a metal building of approximately six thousand (6,000) square feet on approximately 1.29 acres of real estate commonly known as 1703 E. Chicago Street, in the City of Caldwell, Canyon County, Idaho, with the following legal description as shown in attached Exhibit "A", incorporated by reference herein.

1.2. Exercise of Renewal Term: The parties, on July 30, 2007, entered into the Canyon County/Norman Family Trust Lease Agreement, attached as Exhibit "B" and incorporated by reference herein. That Agreement provided for additional renewal terms to be "conditioned upon the parties' decision to renew the lease for another year's term in an amount mutually agreed to by the parties." All terms and conditions of the July 30, 2007 Canyon County/Norman Family Trust Lease Agreement, attached as Exhibit "B", not amended by this Lease Agreement shall remain in effect as though fully stated herein.

1.2.1 Non-appropriation: It is the intention of the Canyon County Board of Commissioners ("Commissioners") that the decision to renew or not to renew this Lease Agreement shall be made solely by the Commissioners and not by any other Lessee officer, and the appropriate Lessee officers charged with the responsibility of formulating budget proposals are hereby directed to include in the budget proposals submitted to the Commissioners, in any year in which this Lease Agreement shall be in effect, items for all payments required for the ensuing Renewal Term under this Lease Agreement. The inclusion of Renewal Term payments in budget proposals shall not limit the sole discretion of the Commissioners whether or not to renew the Lease Agreement.

1.3 Term: The term of this Lease (hereinafter "Lease Term") shall commence on October 1, 2026 ("Lease Start Date"), and continue until September 30, 2027, with any renewal terms to be negotiated by the parties through a signed agreement executed in accordance with Section 1.2 of this Agreement.

SECTION 2: RENT

2.1 **Base Rent:** Base rent shall be **FOUR THOUSAND EIGHT HUNDRED SEVENTY-FIVE DOLLARS AND NO CENTS ($4,875.00)** per month, payable in advance on the first calendar day of each month.

2.2 **Additional Rent:** Lessee shall reimburse Lessor for the amount by which Lessor's out-of-pocket expenses for Premises, property taxes, and property insurance exceed Seven Thousand Six Hundred Dollars and No Cents ($7,600.00) per year. Said reimbursement and any other sums that Lessee is required to pay the Lessor under the terms of this Lease shall be considered "Additional Rent."

2.2.1 **FY 2027 Additional Rent:** The parties agree that the Additional Rent for FY 2027 contemplated by this section is a sum of **Four Hundred Dollars ($400.00)**, to be paid to the Lessor with the first rent payment of FY 2027.

LESSOR:
NORMAN FAMILY TRUST

DATED this ____ day of ______________, 2026.

By: ______________________________
SCOTT NORMAN, TRUSTEE

Date: ______________________________

State of Idaho)
ss.
County of Canyon)

On this ____ day of ______________, 2026, before me personally appeared **SCOTT NORMAN,** known or identified to me to be the **Trustee of the Norman Family Trust** whose name is subscribed to the within instrument, and acknowledged that said Trust executed the same.

(SEAL)

MARIA V. RAMIREZ
COMMISSION #66259
NOTARY PUBLIC
STATE OF IDAHO
MY COMMISSION EXPIRES 09/01/2027

____
Notary Public for Nampa, Idaho
My Commission Expires: 9/1/2027

LESSEE:
BOARD OF COUNTY COMMISSIONERS

DATED this 24th day of September, 2026.

X Motion Carried Unanimously
______ Motion Carried/Split Vote Below
______ Motion Defeated/Split Vote Below

	Yes	No	Did Not Vote
Commissioner Leslie Van Beek	✓		
Commissioner Brad Holton	X		
Commissioner Zach Brooks	X		

ATTEST: JESS URRESTI, CLERK

By: __________
Deputy Clerk

Date: 9/24/26

CANYON COUNTY SHERIFF

____
Kieran Donahue, Sheriff

Date: 9-24-26

SITUATED IN THE COUNTY OF CANYON, STATE OF IDAHO:

COMMENCING at the West Quarter corner of Section 26, Township 4 North, Range 3 West of the Boise Meridian, and running thence

East on the North boundary line of the South one-half' of the aforesaid Section 26 a distance of 2,986.1 feet to THE REAL POINT OF BEGINNING; thence

East along the North Boundary line of the South one-half of the aforesaid Section 26 a distance of 238.2 feet; thence

South 882.23 feet to the center line of Chicago Street as now located and constructed; thence

North 46°38' West along the center line of Chicago Street 346.92 feet to a point which is 2,986.1 feet East of the West boundary line of said Section 26; thence

North 630.15 feet to the REAL POINT OF BEGINNING.

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CANYON COUNTY/NORMAN FAMILY TRUST LEASE AGREEMENT

This CANYON COUNTY/NORMAN FAMILY TRUST LEASE AGREEMENT (hereafter the "Lease Agreement") is made and entered into as of the 30th day of July _____, 2007 between the NORMAN FAMILY TRUST whose address is P.O. Box 547 Star, Idaho 83669 ("Lessor") and CANYON COUNTY, a political subdivision of the State of Idaho ("Lessee"), whose address for purposes hereof is 1115 Albany Street, Caldwell, Idaho 83605;

SECTION 1: LEASEHOLD AND OCCUPANCY

1.1 **Description of Leasehold:** Lessor has agreed to lease to Lessee and Lessee has agreed to lease from Lessor a metal building of approximately 6,000 square feet on approximately 1.29 acres of real estate commonly known as 1703 E. Chicago Street, in the City of Caldwell, Canyon County, Idaho, with the following legal description as shown in attached Exhibit "A", incorporated by reference herein.

1.2 **Original Term:** The term of this Lease (hereinafter "Lease Term") shall commence on August 1, 2007 ("Lease Start Date"), and continue until September 30, 2007, with an additional term ("renewal term") to be exercised by the parties in accordance with Section 1.2 and 1.2.1 of this agreement. This Agreement will commence on the date on which it is executed by the parties ("Effective Date"), and shall remain in effect until September 30, 2007 ("Initial Term"). After the expiration of the Initial Term, this Agreement will renew, by written amendment, for one (1) successive year term beginning on October 1st of the current year and continue until September 30, 2008. The entering into an amendment for any renewal term shall be conditioned upon the parties' decision to renew the lease for another year's term in an amount mutually agreed to by the parties. The Initial Term lease rate will be $2,700 per month. The October 1, 2007 to September 30, 2008 term rate will be $2,700 per month.

1.2.1 **Nonappropriation:** It is the intention of the Canyon County Board of Commissioners ("Commissioners") that the decision to renew or not to renew this Lease Agreement shall be made solely by the Commissioners and not by any other Lessee officer, and the appropriate Lessee officers charged with the responsibility of formulating budget proposals are hereby directed to include in the budget proposals submitted to the Commissioners, in any year in which this Lease Agreement shall be in effect, items for all payments required for the ensuing Renewal Term under this Lease Agreement. The inclusion of Renewal Term payments in budget proposals shall not limit the sole discretion of the Commissioners whether or not to renew the Lease Agreement.

1.3 **Possession:** Lessee's right to possession under the Lease shall commence on August 1,

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2007 per month, payable in advance on the first calendar day of each month.

SECTION 2: RENT

2.1 **Base Rent:** Base rent shall be TWO THOUSAND SEVEN HUNDRED DOLLARS AND NO CENTS ($2,700.00) per month, payable in advance on the first calendar day of each month.

2.2 **Additional Rent:** Lessee shall reimburse Lessor for the amount by which Lessor's out-of-pocket expenses for Premises, property taxes, and property insurance exceed Seven Thousand Two Hundred Dollars and No Cents ($7,200.00) per year. Said reimbursement and any other sums that Lessee is required to pay the Lessor under the terms of this Lease shall be considered "Additional Rent".

2.3 **Security Deposit:** To secure Lessee's compliance with all terms of this Lease, Lessee shall pay to Lessor the sum of Two Thousand Seven Hundred Dollars and No Cents ($2,700.00) as a Security Deposit. The deposit shall be a debt from Lessor to Lessee. Lessor may commingle the deposit with Lessor's other funds and Lessee shall not be entitled to interest on the deposit. Lessor shall have the right to offset against the deposit any sums owing from Lessee to Lessor and not paid when due, any damages caused by Lessee's default, the cost of curing any default by Lessee should Lessor elect to do so, and the cost of performing any repair or cleanup that is Lessee's responsibility under this Lease. Offset against the deposit shall not be an exclusive remedy in any of the above cases, but may be invoked by Lessor, at its option, in addition to any other remedy provided by law or this lease for Lessee's non-performance. Lessor shall give notice to Lessee each time an offset is claimed against the deposit and, unless the Lease is terminated, Lessee shall, within ten (10) days after such notice, deposit with Lessor a sum equal to the amount of the offset so that the total deposit amount, net of offset, shall remain constant throughout the Lease Term. Provided Lessee has properly surrendered the Premises at the expiration of this Lease Term and is not in breach of any of the conditions of the Lease, including, but not limited to, Section 15 below, Lessor shall refund Lessee's Security Deposit within ten (10) days after said expiration.

SECTION 3: USE OF THE PREMISES

3.1 **Permitted Use:** The Premises shall be used for storage of county property. No other uses are permitted without Lessor's prior written consent, which shall not be unreasonably withheld.

3.2 **Restrictions on Use:** In connection with the use of the Premises, Lessee shall:

(1) Conform to all applicable laws and regulations of any public authority affecting

LCN — Lessor

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the Premises and the use, and correct at Lessee's own expense any failure of compliance created through Lessee's fault or by reason of Lessee's change in use. Lessee shall not be required to make any structural changes to effect such compliance, except as may be required by Section 5.

(2) Other than the permitted uses, refrain from any other activity that would make it impossible to insure the Premises against casualty, would increase the insurance rate, or would prevent Lessor from taking advantage of any ruling of the Idaho Insurance Rating Bureau, or its successor, allowing Lessor to obtain reduced premium rates for long-term fire insurance policies, unless Lessee pays the additional cost of the insurance.

(3) Lessee shall not cause or permit any Hazardous Substance to be spilled, leaked, disposed of, or otherwise released on or under the Premises. Lessee may use or otherwise handle on the Premises only those Hazardous Substances typically used in the prudent and safe operation of the business specified in Section 3.1. Lessee may store such Hazardous Substances on the Premises only in quantities necessary to satisfy Lessee's reasonably anticipated needs. Lessee shall comply with all Environmental Laws and exercise a reasonable degree of care in the use, handling, and storage of Hazardous Substances and shall take reasonable measures to minimize the quantity and toxicity of Hazardous Substances used, handled, or stored on the Premises. Upon the expiration or termination of this Lease, or in the event of the contamination of the Premises with Hazardous Substances during the term or Renewal, Lessee shall promptly remove all Hazardous Substances from the Premises. The term Environmental Law shall mean any federal, state, or local statute, regulation, or ordinance or any judicial or other governmental order pertaining to the protection of health, safety or the environment. The term Hazardous Substance shall mean any hazardous, toxic, infectious or radioactive substance, waste, and material as defined or listed by any Environmental Law and shall include, without limitation, petroleum oil and its fractions and asbestos.

SECTION 4: REPAIRS AND MAINTENANCE; LESSEE IMPROVEMENTS

4.1 **Lessor's Obligations:** Lessor shall have no obligations to repair or maintain any part or component of the Premises other than those that are customarily considered to be part of the building's structure, foundation, roof, gutters and downspouts, provided, however, the need for any such maintenance or repair was not caused by the Lessee, its employees, invitees, guests or contractors.

4.2 **Lessee's Obligations:** The following shall be the responsibility of the Lessee:

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(1) Repairs including, but not limited to: interior walls; bearing walls; ceilings; doors, including roll-up doors; windows and related hardware; light fixtures, switches, and wiring; plumbing from the point of entry to the Premises.

(2) Repairs and maintenance to: interior and exterior water lines, fixtures and valves; septic system and drain fields; gas and electrical services, which are located on the Premises.

(3) Repairs and ordinary maintenance of the heating and air conditioning system.

(4) Repairs and/or alterations required under Lessee's obligation to comply with laws and regulations as set forth in Section 3.2.

(5) Repairs that would have otherwise been Lessor's obligation under sub-section 4.1 above, except for the negligence of Lessee, its employees, invitees, guests or contractors.

SECTION 5: ALTERATIONS

5.1 **Alterations Prohibited:** Lessee shall make no improvements or alterations on the Premises of any kind without first obtaining Lessor's written consent, provided, however, Lessee shall have the right to make nonstructural alterations to the Premises that do not exceed $5,000.00 (per alteration project) without obtaining Lessor's consent. All alterations shall be made in a good and workmanlike manner, and in compliance with the requirements of this Section 5.

5.2 **Ownership and Removal of Alterations:** All improvements and alterations performed on the Premises by Lessor shall be the property of Lessor. Improvements and alterations installed by Lessee which have not been attached to the Building or if attached to the Building, if Lessor requires or Lessee desires its removal, shall be removed by Lessee and the Premises restored, less ordinary wear and tear, to a broom clean condition upon termination or expiration of this Lease.

SECTION 6: CASUALTY INSURANCE

6.1 **Insurance Required:** Lessor shall keep the Premises insured for Lessor's sole benefit and at Lessor's expense, except as noted in Section 2, Sub-section 2.2 above, against property damage, personal injury and other risks covered by a standard all-risk insurance policy naming Lessor as the loss payee thereon. Lessor shall not insure Lessee's Owned Alterations, Utility Installations, Trade Fixtures, or Lessee's personal property.

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6.2 Lessee's Property and Business Interruption Insurance: Lessee acknowledges that Lessee is responsible for any losses pertaining to trade fixtures and Lessee owned alterations and/or utility installations and that Lessor is not insuring these items.

SECTION 7: TAXES; UTILITIES

7.1 Real Property Taxes and Assessments: Except as noted in Section 2.2 above, Lessor is responsible for payment of all real property taxes and assessments.

7.2 Well-Water/Electrical Costs: Lessee shall bear the cost of all electrical services to the Premises, including, but not limited to, those costs, if any, required to provide well-water to the Premises.

SECTION 8: DAMAGE AND DESTRUCTION

8.1 Partial Damage: If the Premises are partly damaged and Section 8.2 does not apply, the Premises shall be repaired by Lessor at Lessor's expense and with the use of insurance proceeds described in Section 6.1. If Lessee failed to property and adequately maintain such insurance, the cost of such repair shall be at Lessee's expense. Repairs shall be accomplished with all reasonable dispatch subject to interruptions and delays from labor disputes and matters beyond the control of Lessor and shall be performed in a good and workmanlike manner.

8.2 Destruction: If the Premises are destroyed or damaged such that the cost of repair exceeds fifty percent (50%) of the value of the Premises before the damage, Lessor or Lessee may elect to terminate the Lease as of the date of the damage or destruction by notice given to the other party in writing not more than forty-five (45) days following the date of damage. In such event all rights and obligations of the parties shall cease as of the date of termination, and Lessee shall be entitled to the reimbursement of any prepaid amounts paid by Lessee and attributable to the anticipated term.

If Lessor or Lessee does not elect to terminate, Lessor shall proceed to restore the Premises to substantially the same form as prior to the damage or destruction, utilizing the insurance proceeds mentioned in Section 6.1 above. If Lessee desires to rebuild any of Lessee's fixtures, Lessee shall be responsible for the cost to rebuild any fixtures or improvements not insured under the insurance policy referred to in Section 6.1. Work shall be commenced as soon as reasonably possible and thereafter shall proceed without interruption except for work stoppages on account of labor disputes and matters beyond Lessor's reasonable control.

8.3 Rent Abatement: Rent shall be abated during the repair of any damage to the extent the

LSN ______ Lessor   DW ______ Lessee

Premises are untenable for Lessee's permitted uses described above, provided such damage was not caused by the negligence or intentional acts of Lessee, its officers, employees, contractors, agents, invitees or guests.

SECTION 9: EMINENT DOMAIN

9.1 Partial Taking: If a portion of the Premises is condemned and Section 9.2 does not apply, the Lease shall continue on the following terms:

(1) Lessor shall be entitled to all of the proceeds of condemnation (except for Lessee's Leasehold improvements not installed by Lessor), and Lessee shall have no claim against Lessor as a result of the condemnation. Nothing herein shall preclude Lessee from recovering the value of Lessee's Leasehold improvements made by Lessee to the Premises from the condemning authority.

(2) Lessor shall proceed as soon as reasonably possible to make such repairs and alterations to the Premises as are necessary to restore the remaining Premises to a condition as comparable as reasonably practicable to that existing at the time of the condemnation.

(3) After the date on which title vests in the condemning authority or an earlier date on which alterations or repairs are commenced by Lessor to restore the balance of the Premises in anticipation of taking, the Base Rent and Additional Rent shall be reduced in proportion to the reduction in value of the Premises as an economic unit on account of the partial taking.

(4) If a portion of Lessor's property not included in the Premises is taken, and severance damages are awarded on account of the Premises, or an award is made for detriment to the Premises as a result of activity by a public body not involving a physical taking of any portion of the Premises, this shall be regarded as a partial condemnation to which Sections 9.1(1) and 9.1(3) apply, and the Base Rent and Additional Rent shall be reduced to the extent of reduction in rental value of the Premises as though a portion had been physically taken.

9.2 Total Taking: If a condemning authority takes all of the Premises or a portion sufficient to render the remaining Premises reasonably unsuitable for the use that Lessee was then making of the Premises, the Lease shall terminate as of the date the title vests in the condemning authorities, or Lessee otherwise loses the use of the Premises. Such termination shall have the same effect as a termination under Section 9.1(1). Lessor shall be entitled to all of the proceeds of condemnation, and Lessee shall have no claim against Lessor as a result of the condemnation, provided Lessee shall be entitled to receive any

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proceeds for interruption of Lessees's business or relocation expenses made available by the condemning authority.

9.3 **Sale in Lieu of Condemnation:** Sale of all or part of the Premises to a purchases with the power of eminent domain in the face of a threat or probability of the exercise of the power shall be treated for the purposes of this Section 9 as a taking by condemnation.

SECTION 10: LIABILITY

10.1 **Liens:** Lessee shall pay as and when due all claims for work done on and for services rendered or material furnished to the Premises, and shall keep the Premises free from any liens. If Lessee fails to pay any such claims or to discharge any lien, Lessor may do so and collect the cost as Additional Rent. Any amount so added shall bear interest at the rate of the U.S. Bank of Idaho publicly announced prime interest rate plus five percent (5%) per annum from the date expended by Lessor until repaid and shall be payable on demand. Such action by Lessor shall not constitute a waiver of any right or remedy which Lessor may have on account of Lessee's default.

(1) Lessee shall post Notices of Non-responsibility for the benefit of Lessor with regard to any activity in the Premises which could give rise to a lien as a condition to such activity being conducted in the Premises.

(2) Lessee may withhold payment of any claim in connection with a good faith dispute over the obligation to pay, as long as Lessor's property interests are not jeopardized. If a lien is filed as a result of nonpayment, Lessee shall, within ten (10) days after knowledge of the filing, secure the discharge of the lien or deposit with Lessor cash or sufficient corporate surety bond or other surety satisfactory to Lessor in an amount sufficient to discharge the lien plus any costs, attorney fees, and other charges that could accrue as a result of a foreclosure or sale under the lien.

10.2 **Indemnification:** To the extent permitted by Idaho law, Lessee shall indemnify and defend Lessor from any claim, loss, or liability, including Lessor's attorney fees and costs, arising out of or related to any activity of Lessee, its employees, patrons, guests, agents or contractors, on the Premises or any condition of the Premises in the possession or under the control of Lessee. Lessor shall have no liability to Lessee for any injury, loss, or damage caused by third parties, or by any condition of the Premises, except to the extent caused by Lessor's negligence or breach of duty under this Lease. The terms of this Section 10.2 also applies to the obligations of Lessee under Section 3.2 and shall survive the expiration or earlier termination of the lease.

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10.3 Liability Insurance: Lessee will obtain prior to the execution of this Lease Agreement a certificate of insurance stating that the Lessee's insurance coverage limits are in excess of $500,000 for injury to one person, $500,000 for injury to two or more persons in one occurrence. The Lessor will be insuring the building as noted in Section 6.1 of this Agreement.

(1) Lessee shall provide to Lessor at the time of the execution of this Lease Agreement a certificate of insurance which recognizes that there is coverage for liability arising out of the acts of the Insuring Pool Participant. If the Lessor, the listed Certificate Holder, is named as a party to a lawsuit solely because if it's relationship with the Insuring Pool Participant and not as a result of it's own conduct, ICRMP will accept a tender of it's defense.

SECTION 11: QUIET ENJOYMENT; MORTGAGE PROPERTY

11.1 Lessor's Warranty: Lessor warrants that it is the owner of the Premises and has the right to Lease them to Lessee. Lessor will defend Lessee's right to quiet enjoyment of the Premises from the lawful claims of all persons during the Lease term, provided Lessee is not in default hereunder.

11.2 Mortgage Priority: This Lease is and shall be prior to any mortgage or deed of trust ("Encumbrance") recorded after the date of this Lease and affecting the Premises. However, if any lender holding such an Encumbrance requires that this Lease be subordinate to the Encumbrance, then Lessee agrees that the Lease shall be subordinate to the Encumbrance if the holder thereof agrees in writing with Lessee that as long as Lessee performs its obligations under this Lease no foreclosure, deed given in lieu of foreclosure, or sale pursuant to the terms of the Encumbrance, or other steps or procedures taken under the Encumbrance shall affect Lessee's rights under this Lease.

If the foregoing condition is met, Lessee shall execute the written agreement and any other documents required by the holder of the Encumbrance to accomplish the purposes of this paragraph. If the Premises are sold as a result of foreclosure of any Encumbrance thereon, or otherwise transferred by Lessor or any successor, Lessee shall attorn to the purchaser or transferee.

11.3 Estoppel Certificate: Either party shall, within fifteen (15) days after notice from the other, execute and deliver to the other party a certificate in a form reasonably acceptable to the party requesting the same, which certificate shall include, among other reasonable provisions, whether or not this Lease has been modified and is in full force and effect and specifying any modifications or alleged breaches by the other party. The certificate shall also state the amount of monthly Base Rent, the dates to which Base Rent has been paid

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in advance, and the amount of any security deposit or prepaid rent. Failure to deliver the certificate within the specified time shall be conclusive upon the party from whom the certificate was requested that the Lease is in full force and effect and has not been modified except as represented in the notice requesting the certificate.

SECTION 12: ASSIGNMENT AND SUBLETTING

No part of the Premises or this Lease may be assigned, mortgaged, or subleased, nor may a right of use of any portion of the property be conferred on any third person by any other means, without the prior written consent of Lessor. This provision shall apply to all transfers by operation of law. If Lessee is a corporation, Limited Liability Company or partnership, this provision shall apply to any transfer of a majority voting interest in stock, membership or partnership interest of Lessee. No consent in one instance shall prevent the provision from applying to a subsequent instance. Lessor shall not unreasonably delay consent and shall give consent under circumstances where withholding it shall be unreasonable.

In determining whether to consent to assignment or sublease, Lessor may consider, among other reasonable criteria, the following factors: financial ability of the assignee or sublessee; business experience of the assignee or sublessee; and the nature of the assignee's or sublessee's business.

SECTION 13: DEFAULT

13.1 **Default in Rent:** Failure of Lessee to pay any Base Rent, Additional Rent or other charge within ten (10) days of written notice of non-payment, provided, Lessor shall only be required to provide Lessee with two (2) such notices in any calendar year.

13.2 **Default in Other Covenants:** Failure of Lessee to comply with any term or condition or fulfill any obligation of the Lease (other than the payment of any rent or other charges) within twenty (20) days after written notice by Lessor specifying the nature of the default with reasonable particularity. If the default is of such a nature that it cannot be completely remedied within the twenty (20) day period, this provision shall be complied with if Lessee begins correction of the default within the twenty (20) day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable.

13.3 **Insolvency:** Insolvency of Lessee; an assignment by Lessee for the benefit of creditors; the filing by Lessee of a voluntary petition in bankruptcy; an adjudication that Lessee is bankrupt or the appointment of a receiver of the properties of Lessee; the filing of any Involuntary petition of bankruptcy and failure of Lessee to secure a dismissal of the

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petition within thirty (30) days after filing; attachment of or the levying of execution on the Leasehold interest and failure of Lessee to secure discharge of the attachment or release of the levy of execution within ten (10) days shall constitute a default. If Lessee consists of two or more individuals or business entities, the events of default specified in this Section 13.3 shall apply to each individual unless within ten (10) days after an event of default occurs, the remaining individuals produce evidence satisfactory to Lessor that they have unconditionally acquired the interest of the one causing the default. If the Lease has been assigned, the events of default so specified shall apply only with respect to the one then exercising the rights of Lessee under the Lease.

13.4 **Abandonment:** Failure of Lessee for twenty-one (21) consecutive days or more to occupy the Premises for one or more purposes permitted under this Lease, for reasons other than casualty loss, condemnation or construction of Lessee Improvements.

SECTION 14: REMEDIES ON DEFAULT

14.1 **Termination:** In the event of a default the Lease may be terminated at the option of Lessor by written notice to Lessee. Whether or not the Lease is terminated by the election of Lessor or otherwise, Lessor shall be entitled to recover damages from Lessee for the default, and Lessor may reenter, take possession of the Premises, and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages and without having accepted a surrender.

14.2 **Reletting:** Following reentry or abandonment, Lessor may relet the Premises and in that connection may make any suitable alterations or refurbish the Premises, or both, or change the character or use of the Premises, but Lessor shall not be required to relet for any use or purpose other than that specified in the Lease or which Lessor may reasonably consider injurious to the Premises, or to any Lessee that Lessor may reasonably consider objectionable. Lessor may relet all or part of the Premises, alone or in conjunction with other properties, for a term longer or shorter than the term of this Lease, upon any reasonable terms and conditions, including the granting of some rent-free occupancy or other rent concession.

14.3 **Damages:** In the event of termination or retaking of possession following default, Lessor shall be entitled to recover immediately, without waiting until the due date of any future rent or until the date fixed for expiration of the Lease term, damages which include, but are not limited to, the following:

(1) The loss of rental from the date of default until a new lessee is, or with the exercise of reasonable efforts could have been, secured and paying out.

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(2) The reasonable costs of reentry and reletting including without limitation the cost of any cleanup, refurbishing, removal of Lessee's property and fixtures, costs incurred under Section 14.5, or any other reasonable expense occasioned by Lessee's default, including, but not limited to, any remodeling or repair costs, attorney fees (including attorney fees incurred in the preparation of a new lease), court costs, broker commissions (including the unamortized cost of broker commissions incurred by Lessor for this Lease), and advertising costs and any unamortized Lessee Improvement costs.

(3) Any excess of the value of the rent and all of Lessee's other obligations under this Lease over the reasonable expected return from the Premises for the period commencing on the earlier of the date of trial or the date the Premises are relet, and continuing through the end of the term. The present value of future amounts will be computed using a discount rate equal to the publicly announced prime loan rate of U.S. Bank of Idaho in effect on the first day of trial.

14.4 **Right to Sue More than Once:** Lessor may sue periodically to recover damages during the period corresponding to the remainder of the Lease term, and no action for damages shall bar a later action for damages subsequently accruing.

14.5 **Lessor's Right to Cure Defaults:** If Lessee fails to perform any obligation under this Lease, Lessor shall have the option to do so after thirty (30) days' written notice to Lessee (unless an urgent condition exists which justifies no notice or a shorter notice.) All of Lessor's expenditures to correct the default shall be reimbursed by Lessee on demand with interest at the rate of the U.S. Bank of Idaho publicly announced prime lending rate plus three percent (3%) per annum from the date of expenditure by Lessor until repaid. Such action by Lessor shall not waive any other remedies available to Lessor because of the default.

14.6 **Remedies Cumulative:** The foregoing remedies shall be in addition to and shall not exclude any other remedy available to Lessor under applicable law.

SECTION 15: SURRENDER AT EXPIRATION

15.1 **Condition of Premises:** Upon expiration of the Lease term or earlier termination on account of default, Lessee shall deliver all keys to Lessor and surrender the Premises in the same or better condition as at the beginning of the Lease Term, reasonable wear and tear, casualty loss and Lessor caused damage excepted, and broom clean. Lessee's obligations under this section shall be subordinate to the provisions of Section 9 relating to destruction.

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15.2 Fixtures:

(1) All fixtures placed upon the Premises by Lessor during the term of this Lease become the property of Lessor. Except as otherwise may be set forth herein, Lessee shall remove any and all fixtures that it has placed upon the Premises and shall repair any physical damage resulting from the removal. If Lessee fails to remove such fixtures, Lessor may do so and charge the cost to Lessee with interest at the interest rate mentioned in Section 14.5 from the date of expenditure.

(2) Prior to expiration or other termination of the Lease term, Lessee shall remove all furnishings, furniture, and trade fixtures that remain its property. If Lessee fails to do so, this shall be an abandonment of the property, and Lessor may retain the property and all rights of Lessee with respect to it shall cease or, by notice in writing given to Lessee within twenty (20) days after removal was required, Lessor may elect to hold Lessee to its obligation of removal. If Lessor elects to require Lessee to remove, Lessor may effect a removal and place the property in public storage for Lessee's account. Lessee shall be liable to Lessor for the cost of removal, transportation to storage, and storage, with interest at the legal rate on all such expenses from the date of expenditure by Lessor.

SECTION 16: MISCELLANEOUS

16.1 Nonwaiver: Waiver by either party of strict performance of any provision of this Lease shall not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision.

16.2 Attorney Fees: If suit or action is instituted in connection with any controversy arising out of this Lease, the prevailing party shall be entitled to recover in addition to costs such sum as the court may adjudge reasonable as attorney fees at trial, on petition for review, and on appeal.

16.3 Notices: Any notice required or permitted under this Lease must be in writing and shall be deemed given when actually delivered via messenger and accompanied with a signed receipt, or forty-eight (48) hours after deposited in United States mail as certified mail, return receipt requested, addressed to the address first given in this Lease or to such other address as may be specified from time to time by either of the parties in writing.

16.4 Succession: Subject to the above-stated limitations on transfer of Lessee's interest, this Lease shall be binding on and inure to the benefit of the parties and their respective successors and (permitted) assigns.

LEN SM M.

Lessor Lessee

16.5 Recordation: This Lease shall not be recorded without the written consent of Lessee.

16.6 Entry for Inspection: Lessor shall have the right to enter upon the Premises upon forty-eight (48) hours written notice to place "for sale" signs on the Premise, to determine Lessee's compliance with this Lease, to make necessary repairs to the building or to the Premises, or to show the Premises to any prospective lessee or purchaser, and in addition shall have the right, at any time during the last four (4) months of the term of this Lease if it is not renewed, or the last four (4) months of the Renewal Term, to place and maintain upon the Premises signs for the leasing of the Premise.

16.7 Interest on Rent and Other Charges: Any rent or other payment required of Lessee by this Lease shall, if not paid within ten (10) days after it is due, bear interest at the rate of ten percent (10%) per annum (but not in any event at a rate greater than the maximum rate of interest permitted by law) from the due date until paid. In addition, if Lessee fails to make any rent or other payment required by this Lease to be paid to Lessor within ten (10) days after it is due, Lessor may elect to impose a late charge of five cents per dollar of the overdue payment to reimburse Lessor for the costs of collecting the overdue payment. Lessee shall pay the late charge upon demand by Lessor. Lessor may levy and collect a late charge in addition to all other remedies available for Lessee's default, and collection of a late charge shall not waive the breach caused by the late payment.

16.8 Proration of Rent: In the event of commencement or termination of this Lease at a time other than the beginning or end of one of the specified rental periods, then the rent shall be prorated as of the date of commencement or termination and in the event of termination for reasons other than default, all prepaid rent shall be refunded to Lessee or paid on its account.

16.9 Time of Essence: Time is of the essence in the performance of each of Lessee's obligations under this Lease.

16.10 Consent of Lessor: Whenever in this Lease Lessor's consent is required, such consent shall not be unreasonably withheld or delayed.

16.11 Authorization: The person signing below for each party represents that such person is authorized to sign this Lease on the party's behalf and no further authorizations, written or oral, are required.

16.12 Lessee Takes Possession "As Is": Except as otherwise set forth herein, Lessee acknowledges that Lessor and Lessor's agents have made no representations, orally or in writing, regarding the physical condition of the Premises and its suitability for Lessee's intended uses (including zoning and land use), and Lessee is accepting possession of the

LSN   SR M

Lessor   Lessee

Premises in its current "as is" condition. Lessee has had reasonable opportunities to inspect the Premises and the Building in which the Premises are located prior to the execution of this Lease.

16.13 **Governing Law:** This Lease is governed by the laws of the State of Idaho and venue for any action concerning this Lease shall be in the Third Judicial District, Canyon County, State of Idaho.

16.14 **Counterparts:** This Lease shall be executed in duplicate originals and may be executed in any number of counterparts, all of which together shall constitute one original.

LESSOR: NORMAN FAMILY TRUST

By Larry Norman, Trustee
LARRY NORMAN, TRUSTEE

BOARD OF COUNTY COMMISSIONERS
Canyon County, Idaho

Matt Beebe
MATT BEEBE, Chairman

Unavailable for signature
DAVID J. FERDINAND, II, Member

Steven J. Rule
STEVEN J. RULE, Member

ATTEST: WILLIAM H. HURST, CLERK

By: [signature]
Deputy Clerk

Date: 7-30-07

LEN   SR MB
Lessor   Lessee

Exhibit B

State of Idaho)
ss
County of Ada)

On this 31 day of July, 2007, before me personally appeared **LARRY NORMAN,** known or identified to me to be the **Trustee of the Norman Family Trust** whose name is subscribed to the within instrument, and acknowledged that said Trust executed the same.

KENNA L. MARKS
NOTARY PUBLIC
STATE OF IDAHO
(SEAL)

Notary Public
Residing at: Boise, IDAHO
My Commission Expires on: 11-04-2011

State of Idaho)
ss.
County of Canyon)

On this 30th day of July, 2007 before me, a Notary Public in and for said State, personally appeared **MATT BEEBE, DAVID J. FERDINAND, II** and **STEVEN J. RULE** known or identified to me to be the duly elected commissioners of the Board of County Commissioners of the County of Canyon, a political subdivision of the State of Idaho, that executed the foregoing instrument, and acknowledged to me that said County of Canyon, State of Idaho executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year first above written.

(SEAL)

Claudia Amaral
Notary Public for Idaho
Residing at: Caldwell, Id
My Commission expires: 3-15-07

LEN SR

Lessor Lessee