



RESOLUTION NO. 1074

A RESOLUTION AUTHORIZING A FIVE-YEAR LEASE FOR CINEMA TREASURES TO OPERATE THE STAR CINEMA AT 350 N. THIRD AVE

WHEREAS, the City of Stayton (the "City") owns property at 350 N. Third which has been operated as a movie theater since 1988; and

WHEREAS, Cinema Treasures LLC has had a lease with the City to operate the movie theater since 2002; and

WHEREAS, the theater has been a good tenant during that period, paying rent on time and operating the theater professionally and brought customers into downtown Stayton; and

WHEREAS, the City staff and Council have no concerns with renewing the lease for another five-year term, with a modest fee increase to account for increased cost for City maintenance and utility costs.

NOW, THEREFORE, BE IT RESOLVED THAT:

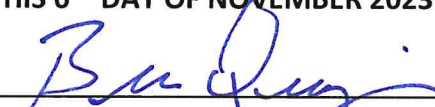
SECTION 1. The Stayton City Council authorizes the City Manager to sign a lease agreement that is substantially similar to the one attached as Exhibit 1 to this resolution.

This Resolution shall become effective upon its adoption by the Stayton City Council.

ADOPTED BY THE STAYTON CITY COUNCIL THIS 6TH DAY OF NOVEMBER 2023.

Signed: 11-6, 2023

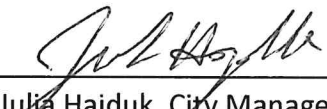
By:



Mayor Brian Quigley, Mayor

Signed: 11-7, 2023

Attest:



Julia Hajduk, City Manager

LEASE AGREEMENT

This Lease Agreement is by and between the City of Stayton (Lessor/City) and Cinema Treasures, LLC (Lessee).

Lessor desires to lease approximately 4,720 sq. ft. of space at 350 N. Third Avenue, Stayton, OR, commonly known as the Star Cinema (Premises), and Lessee desires to lease said Premises from Lessor.

NOW, THEREFORE, in consideration of the mutual promises of the parties set forth in this Lease Agreement (Lease), Lessor and Lessee agree as follows:

SECTION 1 – AGREEMENT TO LEASE: TERM AND OPTION

Lessor hereby leases the Premises to Lessee and Lessee hereby leases the Premises from Lessor, for the term and in accordance with all the agreements, covenants, and conditions set forth in this lease. The term of this Lease (Term) shall begin and possession of the Premises shall be delivered, after the Lease has been signed and approved by both parties the possession date shall be the effective date and shall continue for a period of five (5) years and shall end on the fifth anniversary of the effective date unless sooner terminated pursuant to any provision of this Lease.

EFFECTIVE DATE OF THIS AGREEMENT IS NOVEMBER 1, 2024

SECTION 2 – RENT; LATE CHARGES; TAXES

2.1 Base Rent

From effective date, Lessee shall pay \$902 each calendar month as Base Rent. Base Rent shall be paid in advance prior to the 30th day of each calendar month without any deduction, offset, or hold back of any nature whatsoever. All payments shall be submitted to Stayton City Hall.

2.2 Interest and Late Charges

Rent, if not paid within thirty (30) days of the due date, shall bear interest at the rate of nine percent (9%) per annum from the due date until fully paid, with the interest rate to be applied to the amount past due.

2.3 Personal Property Taxes

Lessee shall be responsible for and pay all property taxes levied on Lessee's personal property located on the Premises.

SECTION 3 – USE OF PREMISES

3.1 Lessee shall use the Premises only for showing moving pictures, suitable performing arts entertainment, and closely related uses, and for no other purpose without Lessor's prior

written consent, which consent shall not be unreasonably withheld. Lessee shall comply, at their expense, with all applicable laws, ordinances, and regulations of any public authority. Lessee shall not conduct or permit any activities on the Premises that are a nuisance, may damage the reputation of the Premises, or are offensive to Lessor or other tenants of the building. Example of prohibited activities: viewings of "X" rated or pornographic film/ performances.

3.2 Hazardous Substances

- a. Lessee shall refrain from using or allowing anyone else from using the Premises to generate, manufacture, refine, transport, treat, store, recycle, release, or dispose of any hazardous substance as defined below. Lessee shall refrain from causing, permitting, or suffering any hazardous substance, as defined below, to be brought upon, used, kept, or stored in or about the Premises without the prior written consent of Lessor. Lessee shall refrain from the discharge, deposit or disposal of hazardous substances or engaging in any activity which would be subject to or regulated by state, local, or federal law or regulation and as defined below. Lessee shall be responsible for any and all preventative, investigative, or remedial actions including emergency response, removal, containment, and other remedial actions that are required by law or government regulation or order or that are necessary to minimize damage or injury to property, persons, or the environment, or the threat of such damage or injury by release of or exposure to hazardous substances.
- b. Lessee shall not commit or permit any action (or inaction) upon the Premises which may subject Lessee or Lessor to any liability for injury, damages to persons or property, or any violation of law, or legal requirements, regarding the unlawful manufacture, storage transportation of any Hazardous Substances, as defined below, of any type, within or on said Premises, but shall exercise such control over the property to protect Lessee and Lessor fully against any such liability.
- c. Hazardous Substances Defined. As used herein, "Hazardous Substances" shall mean any asbestos, petroleum, gasoline, fuel, or any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous or toxic substances, or other similar term, by any federal, state, or local environmental statute, regulation, or ordinance presently in effect.

3.3 Limitations on Use

Lessee shall refrain from any use of the Premises that would cause the fire insurance rates on the Premises or the building to be increased. If Lessee fails to comply with this restriction after reasonable notice from Lessor, Lessee shall pay any resulting extra cost of the fire insurance upon written demand of Lessor.

3.4 Building Loads

Lessee shall refrain from any activity or installation that will overload the floor or electrical circuits of the building or create undue stress or strain on any part of the building. Lessor shall have the right to approve in advance the installation of any power-

driven machinery, or other machinery or heavy equipment not customary for normal building use. Lessor may select a qualified electrician whose opinion will control regarding electrical circuits or a qualified engineer or architect whose opinion will control regarding floor loads or other stresses.

3.5 Signs

Lessee shall not display, inscribe, print, or affix any permanent sign, picture, advertisement, or notice on any portion of the Premises, including but not limited to any wall, glass, wood, or brick surface, without Lessor's prior written approval as to design, size, location, and color, without any other approval required by the City.

3.6 Acceptance "As Is"; Compliance with Americans with Disabilities Act (ADA)

a. **Lessee Accepts Theater "As Is."** In the event Lessee is required to make repairs to the building's structural components, foundation, gutters, exterior walls, common halls, HVAC, heating system, plumbing, electrical, and if the total cost of making the repairs exceeds \$2,000, the Lessee shall have the right, upon giving Lessor sixty (60) days prior written notice, to terminate this Lease. If Lessor elects to terminate the Lease, all rights and obligations of the parties shall cease as of the date of termination, and Lessee shall be entitled to reimbursement of any prepaid rents paid by Lessee and attributable to the anticipated term.

b. **Compliance.** Lessee shall be responsible for compliance with the ADA for all issues which arise with respect to Lessee's trade fixtures, equipment and free-standing space dividers and any other fixtures or equipment installed or used on the premises by Lessee. Lessor shall be responsible for compliance with the ADA with respect to all issues which arise due to structural features of the leased space. With respect to each party's area of responsibility, each party shall take steps which are necessary to comply with the ADA, shall pay for all costs of compliance, promptly, when due, and shall pay all penalties, fines, judgements, including attorney fees and court costs, which may be levied or assessed because of a failure to comply with the ADA.

c. **Termination.** In the event Lessor is required to make any changes in the structure of the leased space to comply with the ADA and if the cost of making the structural changes exceeds the sum of \$5,000, Lessor shall have the right, upon giving Lessee sixty (60) days prior written notice, to terminate this Lease. If Lessor elects to terminate the Lease, 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 rents paid by Lessee and attributable to the anticipated term. If Lessor does not elect to terminate the Lessee, Lessor shall proceed to make such alterations as are necessary to comply with the ADA. Rent shall be abated during the period of such alterations to the extent the alteration work interferes with lessee's occupancy.

d. **Acceptance of Premises "As Is."** Lessee agrees to accept possession of the Premises in an "as is" condition on the effective date. The taking of possession of the Premises by Lessee shall be conclusive evidence as to Lessee that, at the time such

possession was so taken, the Premises were in good and satisfactory condition.

- e. **Extraordinary Expenses.** If Lessor becomes aware of any financial obligation not existing on the effective date, including any fee, license, or tax imposed by another governmental agency which exceeds the sum of \$1,000, Lessor shall have the right upon giving lessee sixty (60) days prior written notice, to terminate this Lease. If Lessor elects to terminate the Lease, 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 rents paid by Lessee and attributable to the anticipated term.

SECTION 4 – MAINTENANCE

4.1 Obligations

- a. **Lessor:** Lessor shall have no responsibility for maintaining the Premises other than to repair and maintain the building's structural components, foundation, roof, gutters, exterior walls, and common halls in sound, clean and serviceable condition.
- b. **Lessee:** Lessee shall maintain in good condition the windows, the heating, ventilation, and air conditioning system, the plumbing and plumbing fixtures, the electrical system, and projection equipment, and repair at lessee's cost. Repair of damage caused by Lessee's negligent or intentional acts or acts in breach of this lease shall be at Lessee's expense. Any halls and passageways which may be included within the Premises.

4.2 Performance of Maintenance

Lessor shall have the right to erect scaffolding and other apparatus necessary for the purpose of making required repairs. Lessor shall have no liability for consequential damages for failure to perform required maintenance and repair. Lessor shall have no liability for interference with Lessee's use by needed repairs and installations, or modifications required by any governmental body, provided that the work is performed in a manner designed to cause a reasonable minimum interference to Lessee. Lessor shall have no obligation to use overtime labor to minimize disturbance to Lessee.

SECTION 5 – UTILITIES

5.1 Provision of Utilities

At Lessor's expense, Lessor shall cause the Premises to be provided with garbage, as well as with electricity for lighting, heating (natural gas), telephone, and air conditioning; the costs of such utilities shall be at the Lessee's expense. The Lessor shall provide water and sewer to the Lessee at no cost. Lessee's electrical usage on the Premises shall be individually metered and billed directly by the utility providing such service. Lessee shall be solely responsible for the payment for such service and shall do so promptly upon receipt of the billing statement.

5.2 Interruption of Services

Lessor does not warrant that any of the services and utilities referred to in this Section will be free from interruption caused by or resulting from any variation, interruption, or failure of such services due to any cause whatsoever. No temporary interruption or failure of such services incident to the making of repairs, alterations, or improvements, or due to accident, strike, or conditions or events beyond Lessor's reasonable control shall be deemed an eviction of Lessee to relieve Lessee from any of Lessee's obligations under this Lease, provided that any such repairs alterations or improvements that have been performed by Lessor or Lessor's contractors are performed in a manner designed to cause a reasonable minimum of interference with such services. Lessor shall not be in default of this Lease, or have any liability to Lessee for damages, nor shall Lessee be entitled to any abatement of or offset against rent due if any of the services to be provided by Lessor pursuant to this Section 5 are not provided by Lessor.

SECTION 6 – MAINTENANCE AND ALTERATIONS

6.1 Maintenance

Lessee shall maintain the Premises in a neat, clean, good condition, including janitorial, at all times, and shall cause to be repaired all damage to the Premises caused by Lessee's use. In the event such a repair is required, Lessor may require that the repair work be performed by Lessor and Lessee shall pay the actual cost of the repair work. If repair work is to be done by Lessee, Lessor shall have the right to approve the workmen selected by Lessee. If Lessee fails to perform, Lessor may provide such service or maintenance at Lessee's expense.

6.2 Alterations

Lessee shall not make any alterations, additions, or improvements to the Premises, change the color of the interior or exterior, or install any wall or floor covering without Lessor's prior written consent, which will not be unreasonably withheld. Any such additions, alterations, or improvements, including any sound system improvements installed by Lessee, except for unattached movable trade fixtures, shall at once become part of the building and belong to Lessor unless the terms of the applicable consent provide otherwise.

SECTION 7 – LIABILITY TO THIRD PERSONS

7.1 Construction Work

Lessee shall give Lessor written notice at least 10 days in advance of the commencement of any work which could result in the imposition of a lien pursuant to ORS Chapter 87 and Lessee authorizes Lessor to post a notice of non-responsibility pursuant to ORS 87.030. Lessee shall pay when due all claims arising out of Lessee's conduct for work done on or for services rendered or material furnished to the Premises and shall keep the Premises free from any liens other than liens created by Lessor. If Lessee fails to pay any such claim or to discharge any such lien, Lessor may do so and collect such amount as additional Base Rent, together with interest thereon as provided in Section 2.

7.2 Liability

Lessee shall not commit or permit any action (or inaction) upon the Premises which may subject Lessor to any liability for injury, damages to persons or property, or any violation of law or legal requirements, but shall exercise such control over the Premises as to protect Lessor fully against any such liability. Lessee agrees to indemnify and hold harmless Lessor from and against all claims against Lessor arising from any act, omission, or negligence of Lessee, its contractors, licensees, agents, servants, employees, invitees, or visitors; all claims against Lessor arising from any accident, injury, or damage whatsoever caused to any person or property occurring during the Term and in, about, or outside the Premises, if such accident, injury, or damages results (or is claimed to have resulted) from an act or omission of Lessee or Lessee's agents, employees, invitees, or visitors; and any claim against Lessor arising from any breach, violation, or nonperformance by Lessee of any provision of this Lease. This indemnity and hold harmless agreement shall include indemnity from and against any and all liability fines, suits, demands, costs, and expenses (including reasonable attorneys' fees) of any kind or nature incurred in connection with any such claim or any proceeding brought thereon and the defense thereof.

7.3 Liability Insurance

From and after the date of delivery of the Premises to Lessee, and at all times during the Term, Lessee shall carry comprehensive public liability insurance in the amount of not less than \$1,000,000 and in a form satisfactory to Lessor. Such insurance shall be evidenced by a certificate delivered to Lessor stating that the coverage will not be canceled or materially altered without 30 days' advance written notice to Lessor. Such insurance shall name Lessor and any parties designated by Lessor as additional insureds and shall contain a contractual liability endorsement referring to this Lease.

7.4 Property Damage and Fire Insurance

Lessee shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement cost basis covering all equipment and tenant improvements on the leased Premises in an amount sufficient to avoid application of any coinsurance clause and with loss payable to Lessor. The policies shall be written in such form with such terms and by such insurance companies reasonably acceptable to Lessor. Lessee shall deliver to Lessor certificates of coverage from each insurer containing a stipulation that coverage will not be canceled or diminished without a minimum of 10 days' written notice to Lessor. In the event of loss, Lessee shall give immediate notice to Lessor. Lessor may make proof of loss if Lessee fails to do so within 15 days of the casualty.

7.5 Lessor's Right to Procure Insurance

In the event Lessee fails to procure, maintain, or pay for, at the times and for the duration specified in this Section, any insurance required therein, or fails to carry insurance required by law or governmental regulation, Lessor may (but shall not be obligated to) at any time, upon written notice to Lessee, procure such insurance and pay

the premiums therefore, in which event Lessee shall repay to the Lessor all sums so paid by Lessor, together with interest thereon as provided in Section 2.2 and any costs or expenses incurred by Lessor in connection therewith, within ten days following Lessor's written demand to Lessee for such payment.

SECTION 8 – DAMAGE

8.1 Limitation of Lessor's Liability

Any building employee or contractor to whom any property is entrusted by or on behalf of Lessee shall be deemed to be acting as Lessee's agent with respect to such property. Lessor and its agents shall not be liable for any damage to any property entrusted to employees or contractors of Lessee by or on behalf of Lessee, or for the loss of or damage to any property of Lessee by theft or otherwise. Neither Lessor nor its agents shall be liable for any injury or damage to persons or property or any interruption of Lessee's business resulting from any cause whatsoever; any damage caused by other tenants or persons in the building or caused by construction of any private, public, or quasi-public work; or any defect, whether latent or patent, in the Premises or the building. However, no provision of this Lease shall be construed to relieve Lessor from responsibility directly to Lessee for any loss or damage caused directly to Lessee by the negligent acts or omissions of Lessor.

8.2 Damage to Premises/Building

Lessee shall give immediate notice to Lessor in case of fire or accident involving the Premises or building. If fire or other casualty causes such damage to the Premises or building as to make the Premises unsuited for the use permitted by this Lease, either Lessor or Lessee may elect to terminate this Lease by written notice to Lessee given within 30 days following the date of damage. Upon the giving of such notice, this Lease shall be terminated as of the date of damage.

8.3 Restoration

a. If the Premises or building is damaged and this Lease has not been terminated pursuant to this Section, Lessor shall repair the damage and restore the Premises or building to a condition comparable to that existing prior to the damage, subject to the provisions of Section 8.4. Repair shall be accomplished with all reasonable dispatch, subject to interruptions and delays from labor disputes and other causes beyond Lessor's reasonable control. Base Rent shall be reduced during the period of repair by an amount equal to the Base Rent multiplied by the ratio between the number of square feet of the Premises which are not reasonably usable for the use permitted by this Lease on account of such damage and the number of square feet in the Premises. If the damage does not cause any material interference with Lessee's use, there shall be no abatement of Base Rent. Lessee shall cooperate with Lessor during the period of repair and vacate all or any part of the Premises to the extent necessary for the performance of the required work.

- b. If the Premises are partially destroyed by fire or other casualty to an extent that prevents the conducting of Tenant's use of the Premises in a normal manner, and repairs do not exceed sixty (60) percent of the value of the building, and if the damage is reasonably repairable within sixty days after the occurrence of the destruction, Landlord shall repair the Premises and a just proportion of the lease payments shall abate during the period of the repair according to the extent to which the Premises have been rendered un-tenantable. However if the damage is not repairable within sixty days, or if Lessor is prevented from repairing the damage by forces beyond Lessor's control, or if repair costs exceed sixty (60) percent of the value of the building, or if the property is condemned, this Lease shall terminate upon sixty days' written notice of such event or condition by either party and any unearned rent paid in advance by Lessee shall be apportioned and refunded to it. Lessee shall give Lessor notice of any damage to the Premises.

8.4 Restoration of Lessee's Property

Repair, replacement, or restoration of any fixtures and personal property owned by Lessee or any additions or improvements to the Premises constructed by Lessee shall be the responsibility of Lessee regardless of the cause of the damage, except as caused solely by Lessor's negligence. Lessee shall pay all costs of moving its property when required in connection with repairs to the Premises.

8.5 Protection of Lessee's Property, Subrogation

Lessee shall be responsible for insuring their personal property and trade fixtures located on the Premises. Neither party shall be liable to the other party for any loss or damage caused by water damage, or any of the risks covered by a standard fire insurance policy with an extended coverage endorsement, and there shall be no subrogated claim by one party's insurance carrier against the other party arising out of any such loss.

SECTION 9 – DEFAULT REMEDIES

9.1 Events of Default. The following shall be events of default:

- a. Failure of Lessee to pay any rent or other charge within 30 days after it is due.
- b. Abandonment, desertion, or vacation of the Premises during the Term, except as required under this Lease.
- c. Failure of Lessee to comply with any other term or condition or fulfill any other obligation under this Lease within 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 remedied fully within such 20-day period, this requirement shall be satisfied if Lessee begins correction of the default within such 20-day period and thereafter proceeds with reasonable diligence and in good faith to affect the remedy as soon as is reasonably possible.

- d. The filing by Lessee or third party of a voluntary petition in bankruptcy or insolvency, seeking any relief under the present or any future federal bankruptcy act or any other present or future applicable federal, state, or other statute or law, or any assignment by Lessee for the benefit of creditors.

9.2 Remedies of Default. Lessor shall have the following remedies if in default, in addition to, and shall not preclude any other remedy available to Lessor under applicable law:

- a. Lessor, at Lessor's option, may relet the whole or any part of the Premises from time to time, either in the name of Lessor or otherwise, to such tenants, for such terms ending before, on, or after the expiration of the Tenn. No such reletting or failure shall operate to relieve Lessee of any Liability under the Lease or otherwise to affect any such liability.
- b. Whether or not Lessor retakes possession of or relets the Premises, Lessor shall have the right to recover unpaid rent and all damages caused by the default, including attorneys' fees and costs.
- c. If Lessee shall fail to remove any of Lessee's property of any nature whatsoever from the leased Premises or the building at the termination of this Lease or when Lessor has the right of re- entry, Lessor may, at Lessor's option, remove and store said property without liability for the loss thereof or damage thereto, such storage to be for the account and the expense of Lessee.

SECTION 10 – SURRENDER OF PREMISES

10.1 Surrender of Premises

Upon expiration or early termination of this Lease, Lessee shall deliver all keys to Lessor and surrender the Premises and all improvements made to the Premises and all fixtures including movie/film digital projector, whether installed or paid for by Lessor or Lessee, in first class condition. Depreciation and wear from ordinary use for the purpose for which the Premises were leased need not be restored, but all repairs for which Lessee is responsible shall be completed by the latest practical date prior to such surrender. Lessee shall remove all its movable furnishings and movable trade fixtures that remain its property and restore all damage resulting from such removal. In addition, Lessor may require the removal of any nonstandard tenant improvements or fixtures installed by or for Lessee and Lessee shall restore all damage resulting from such removal. Failure to remove any property from the Premises in accordance with this Section shall be an abandonment of such property, and Lessor may dispose of such property in any manner without liability and may charge Lessee for the actual cost of removal, storage, and disposal of such property in any manner without liability and the renovation of the Premises required after such removal.

10.2 Failure to Surrender

If Lessee fails to vacate the Premises when required, including failure to remove all its personal property, Lessor may elect to treat Lessee as a tenant from month to month, subject to all provisions of this Lease.

SECTION 11 – ACCESS TO PREMISES BY LESSOR

Lessee shall give Lessor, and its agents, reasonable access to the Premises to enable them to inspect the Premises, to respond to any emergency or perform any maintenance or other work on the Premises, or for the purposes of exhibiting the Premises to prospective occupants.

SECTION 12 - GENERAL PROVISIONS

12.1 Time

Time is of the essence of the performance of each obligation of Lessee under this Lease.

12.2 Waiver

Any waiver of any provision of this Lease shall be in writing signed by the party to be bound by such waiver. Waiver of performance of any provision shall not be a waiver of nor prejudice the party's right otherwise to require performance of the same provision or any other provision.

12.3 Prior Agreements: Modifications

This Lease is the entire, final, and complete agreement of the parties pertaining to the lease of the Premises and supersedes and replaces all prior or existing written and oral agreements between the parties. This lease may not be modified except by endorsement, dated and signed by the parties. Lessor shall not be bound by any oral or written statement of any servant, agent, or employee modifying this Lease.

12.4 Successors

Subject to the limitations concerning transfers by Lessee, the rights, liabilities, and remedies provided in this Lease shall extend to the heirs, legal representatives, successors, and assigns of the Parties. The words "Lessor" and "Lessee" and their accompanying verbs or pronouns, wherever used in this Lease, shall apply equally to all persons, firms, proprietorships, partnerships, associations, or corporations which may be or become parties to this Lease.

12.5 Notices

Any notice that either party desires to give the other shall be given by certified mail, return receipt requested, addressed as follows (changes of address shall be promptly provided to the other party):

TO LESSOR:

City of Stayton
362 N. Third Avenue
Stayton, OR 97383

TO LESSEE:

Jeff Mexico
dba Cinema Treasures, LLC
3861 Seneca Ave SE
Salem, 97302

12.6 Dispute Resolution (construed by Oregon Laws)

- a. In the event a dispute arises between the parties as to the terms of this Agreement, the matter shall first be addressed through mandatory mediation. If not settled by mediation, the parties shall resolve the matter by binding arbitration in accordance with Oregon laws.
- b. In the event either party brings action to enforce the terms of this Lease or to seek damages for its breach or arising out of any dispute concerning the terms and conditions hereby created, the prevailing party shall be entitled to an award of its reasonable attorney fees, costs, and expenses, incurred therein, including such costs and fees as may be required on appeal. The venue shall be the Circuit Court of Marion County, Oregon.

12.7 Promotional Requirements

Lessee shall provide no less than three (3) promotional "slides," on an ongoing basis, promoting the benefits of living in the City of Stayton or other City-related topics, to be determined by Lessor, at no cost to Lessor.

12.8 Preparation of Lease Agreement – Notice to Lessee

This Lease Agreement has been prepared by Lessor and/or its legal counsel. The Lessee expressly acknowledges that Lessee has been advised that Lessee may and should obtain Lessee's own legal representation regarding this transaction and this Lease.

IN WITNESS WHEREOF, the parties have caused this Lease to be duly executed in duplicate.

CITY OF STAYTON, OREGON

JEFF MEXICO DBA CINEMA TREASURES

Julia Hajduk, City Manager

Jeff Mexico DBA Cinema Treasures

