

**Star Valley Ranch Association**  
The Town of *Star Valley Ranch, Wyoming*

**Lease/Purchase Agreement**

This Lease for is entered into by and between Star Valley Ranch Association, Inc., (hereinafter "Lessor"), and the Town of Star Valley Ranch, Wyoming (hereinafter "Lessee").

**LEASEHOLD**

Subject to the terms and conditions set forth herein, Lessor leases to Lessee, and Lessee leases from Lessor, certain property described as follows ("Premises"):

1. Grounds, heated shop area, covered storage area, storage yard area currently used by and referred to as the SVRA Maintenance Shop Area of approximately 1.75 acres on the Northeast corner of Vista Drive and Vista-West Drive in the Town of Star Valley Ranch; AND
2. Airport apron area (starting at Vista Drive and then South approximately 600 feet) currently used by Lessor for the storage of road materials.

**TERM**

The Term of this Lease is for a period of 36 months, subject to the Town's right to cancel, commencing on June 1, 2007 ("Commencement Date") and ending on May 31, 2010. The Town of Star Valley Ranch may, with 60 days written notice, cancel this lease on May 31<sup>st</sup> of each year with no penalties.

**RENT**

Lessee shall pay Lessor as rent, for the possession and use of the Premises, for Item #1: the sum of \$36,000 per year and for Item #2: the sum of \$2,700 per year. Rent is payable on or before July 31<sup>st</sup> of each year in person or at the address of Lessor at P.O. Box 159, Thayne, WY 83127.

**PURCHASE OPTION**

Conditional upon Lessor securing 2/3<sup>rd</sup> of its membership's authorization, the Lessee may, at its option, on or before December 31, 2008, purchase the real property described in Item #1 for a sum of \$350,000, less any payments made on the lease of Item #1 at the time of purchase.

## **USE OF THE PREMISES**

Use and Restrictions on Use. Lessee shall use the premises for such purposes, including but not limited to, storage of equipment and materials for road maintenance and improvement, and for storage of equipment and materials for the maintenance and operation of utilities, and/or other uses anticipated as contained within the Assignment and Subletting paragraph. Lessee shall not use or allow the Premises to be used for a purpose or in a manner that is unlawful, illegal, or likely to cause damage to the Premises, to adjoining property, or in a manner which would constitute a hazard to the public or any adjoining property, or would cause a nuisance to any members of the public or to any other Lessee of the Building.

## **UTILITIES**

Utilities. Lessee shall be responsible for all costs associated with any utilities used by Lessee on the Premises, including but not limited to, water, electricity, and trash removal.

## **REPAIRS AND MAINTENANCE**

(a) Lessor's Obligations. Lessor shall perform all necessary repairs and maintenance on the Building(s) and the leased Premises, and shall maintain same in good condition and working order. However, in the event of any damage or destruction resulting from any intentional or negligent acts of Lessee, Lessee shall reimburse Lessor for all expenses incurred in the repair thereof, within thirty (30) days of Lessor submitting to Lessee an invoice therefore, and such invoiced expense shall be deemed additional Rent thereafter.

(b) Lessee's Obligations. Lessee shall maintain the leased Premises in a good, clean and safe condition, and shall on the expiration of this Lease or sooner termination thereof return the leased Premises in the same condition as received by Lessee on the Commencement Date, reasonable wear and tear excepted.

## **INDEMNIFICATION**

Indemnification. Lessor will not be liable for any loss or damage to person or property caused by theft, fire, acts of God, acts of a public enemy, riot, strike, insurrection, war, court order, requisition, or order of government body or authority, unless caused by the acts of Lessor. Lessee will indemnify and defend Lessor, by counsel acceptable to Lessor, against any liabilities, including reasonable attorney fees and court costs, arising out of or relating to the following:

(i) claims of injury to or death of persons or damage to property occurring or resulting directly or indirectly from the use or occupancy of the Premises, or from activities of Lessee, Lessee's invitees, or anyone about the Premises, or from any other cause, except to the extent caused by Lessor's negligence or willful misconduct.

## HAZARDOUS MATERIALS

Use of Hazardous Materials. Lessee will not use or allow the use of the Premises in a manner that may cause Hazardous Materials to be released or to become present on, under, or about the Premises or other properties in the vicinity of the Premises. A 30% Magnesium Chloride / water solution (Dust Guard) is not considered a hazardous material. Lessor agrees to allow Lessee to store gasoline and diesel fuel on the leased premises in the facilities/tanks previously used by Lessor for such purposes, and Lessor represents to Lessee that Lessor is not aware of any leaks in the aforementioned tanks.

## DEFAULT

**Events of Default.** The occurrence of any of the following events will, at Lessor's option, constitute an event of default (Event of Default):

- (i) In the event Rent is late as defined hereunder, failure to pay Rent within thirty (30) days following written demand to pay Rent by Lessor;
- (ii) vacation or abandonment of the Premises for a period of thirty (30) consecutive days.

**Remedies.** In the event of any default by Lessee under this Lease, Lessor shall have the following remedies:

(i) Termination In the event of the occurrence of any Event of Default, Lessor will have the right to give a written termination notice to Lessee and, on the date specified in that notice, this Lease will terminate unless on or before that date all arrears of Rent and all other sums payable by Lessee under this Lease and all costs and expenses incurred by or on behalf of Lessor have been paid by Lessee and all other Events of Default at the time existing have been fully cured to the satisfaction of Lessor.

(ii) Repossession Following termination, without prejudice to other remedies Lessor may have, Lessor may (A) peaceably re-enter the Premises on voluntary surrender by Lessee; or (B) remove Lessee and any other persons occupying the Premises, using any legal proceedings that may be available.

Continuation. Even though an Event of Default may have occurred, this Lease will continue in effect for so long as Lessor does not terminate Lessee's right to possession.

## ASSIGNMENT AND SUBLETTING

Prohibition. Lessee may not assign or sublet, whether voluntarily or involuntarily or by operation of law, the Premises or any part of the Premises, except for the Lincoln County School District #2 School Bus Parking Lease, without Lessor's written consent, which consent may be withheld at Lessor's sole discretion.

## ENTRY

Entry. Lessor reserves the right to enter the Premises upon reasonable notice to Lessee (except in case of an emergency, in which case no notice would be required) to inspect the Premises or the performance by Lessee of the terms and conditions of this Lease.

## MISCELLANEOUS

**Entire Agreement.** This Lease sets forth all the agreements between Lessor and Lessee concerning the Premises, and there are no other agreements, either oral or written, other than as set forth in this Lease.

**Time.** Time is of the essence in this Lease.

**Attorney's Fees.** In any action that either party brings to enforce its rights under this Lease, the prevailing party shall be entitled to all of its costs plus reasonable attorney fees. Those costs and attorney fees will be considered a part of the judgment in that action.

**Severable.** If any provision of this Lease or the application of any provision is held by a court of competent jurisdiction to be invalid, void, or unenforceable to any extent, the remaining provisions of this Lease and the application of it will remain in full force and will not be affected, impaired, or invalidated.

**Governing Law.** This Lease will be construed and enforced in accordance with the laws of the State of Wyoming.

**Successors.** This Lease will be binding on and inure to the benefit of the successors and assigns of Lessor and Lessee, their heirs and court appointed representative.

**Sign Criteria.** All signs and graphics of every kind visible from public view, corridors, or the exterior of the Real Property will be subject to Lessor's prior written approval, and will be subject to any applicable governmental laws, and ordinances. Lessee must remove all signs and graphics prior to the termination of this Lease.

**No Waiver.** No waiver of any default or breach under this Lease will be implied from any omission to take action on account of this Lease, regardless of any custom and practice or course of dealing. No waiver will affect any default other than the default specified in the waiver, and then the waiver will be operative only for the time and to the extent stated in the Lease. Waivers of any covenant will not be construed as a waiver of any subsequent breach of the same covenant. No waiver by either party of any provision under this Lease will be effective unless in writing and signed by that party.

**Notices.** All notices to be given under this Lease will be in writing and mailed, postage prepaid, by certified or registered mail, return receipt requested, or delivered by personal or courier delivery, or sent by telecopy (immediately followed by one of the preceding methods), to Lessor's Address and Lessee's Address, or to any other place that Lessor or Lessee may designate in a written notice given to the other party. Notices will be deemed served on the earlier of receipt or three (3) days after the date of mailing.

**Holding Over.** If Lessee fails to surrender possession of the Premises or any part of the Premises after expiration of the Term, the holding over will constitute a month-to-month tenancy, at a rent equal to the total rent due hereunder prorated for one month. This paragraph will not be construed as Lessor's permission for Lessee to hold over. Acceptance of Rent by Lessor following expiration or termination shall not constitute a renewal of this Lease.

**Surrender.** Upon the termination of this Lease or Lessee's right to possession of the Premises, Lessee will surrender the Premises to Lessor.

**Counterparts.** This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Dated this \_\_\_\_\_ day of May, 2007.

**Star Valley Ranch Association, Inc., Lessor**

\_\_\_\_\_  
By: Joe Angelovic, Chairman

**Town of Star Valley Ranch, Lessee**

\_\_\_\_\_  
By: Boyd Siddoway, Mayor

THE STATE OF WYOMING            )  
  ) SS.  
COUNTY OF LINCOLN            )

The foregoing instrument was acknowledged before me by Boyd Siddoway, who appeared before me and was personally known to me, and was by whom duly sworn and upon oath represented that he was the Mayor of The Town of Star Valley Ranch, that the instrument was signed on behalf of The Town of Star Valley Ranch, by the authority of the board of directors or trustees thereof, acknowledged the instrument to be the free act and deed of The Town of Star Valley Ranch, this \_\_\_\_\_ day of May, 2007.

WITNESS my hand and official seal.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_  
\_\_\_\_\_

THE STATE OF WYOMING    )  
  ) SS.  
COUNTY OF LINCOLN        )

The foregoing instrument was acknowledged before me by Joe Angelovic, who appeared before me and was personally known to me, and was by whom duly sworn and upon oath represented that he was the Chairman of the Board of Directors of Star Valley Ranch Association, Inc., that the instrument was signed on behalf of Star Valley Ranch Association, Inc, by the authority of the board of directors or trustees thereof, acknowledged the instrument to be the free act and deed of Star Valley Ranch Association, Inc, this \_\_\_\_\_ day of May, 2007.

WITNESS my hand and official seal.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_