



## OLYMPIC VALLEY PUBLIC SERVICE DISTRICT



EXHIBIT F-9  
15 Pages

### 1810 OLYMPIC VALLEY ROAD COMMERCIAL LEASE PALISADES TAHOE RESORT, LLC

**DATE:** June 24, 2025

**TO:** District Board Members

**FROM:** Charley Miller, General Manager

**SUBJECT:** Commercial Lease of District Facilities at 1810 Olympic Valley Road to Palisades Tahoe Resort, LLC

**BACKGROUND:** Since October 2016, Palisades Tahoe LLC (previously Squaw Valley Ski Holdings, LLC; Alterra Mountain Company) has leased office space, consisting of approximately 3,140 square feet in the former District Administration building. The current lease expires on October 31, 2025, and Palisades Tahoe Resort, LLC requests a lease renewal.

**DISCUSSION: Existing Lease Terms (Nov 1, 2021 – October 31, 2025):**

- Rent: \$6,280/month or \$2.00 per square foot (3,140 SF)
- Utilities: \$725 / month
- Snow Removal: \$375/month
- Security Deposit: \$8,200
- Parking Spaces: Six (6)

**Proposed Lease Terms Nov 1, 2025 – Oct 31, 2028):**

- Rent: \$7,850/month or \$2.50 per square foot
- Utilities: \$1,000 / month
- Snow Removal: \$300/month
- Security Deposit: \$10,000
- Parking Spaces: Six (6)

Staff researched rates of comparable properties to determine market value for commercial office space. Rental rates in the Olympic Valley range from \$2.80 to \$4.05 per square foot, excluding common area maintenance fees or utilities. North Tahoe and Truckee area are in the range of \$1.95 to \$3.74 per square foot excluding utilities and common area maintenance fees. The rent will increase

annually by 50 cents per square foot to transition to market-rate rent over the three (3) year term of the lease.

**ALTERNATIVES:** 1. Approve a Commercial Lease for space at 1810 Olympic Valley Road and authorize the General Manager to execute the agreement with Palisades Tahoe Resort, LLC.  
2. Do not approve a Commercial Lease and direct staff to negotiate different or additional terms.

**FISCAL/RESOURCE IMPACTS:** The projected revenue from the Commercial Lease for the first year is \$94,200, or \$7,850 per month.

**RECOMMENDATION:** Approve the Commercial Lease for space at 1810 Olympic Valley Road and authorize the General Manager to execute the agreement with Palisades Tahoe Resort, LLC.

**ATTACHMENTS:** Proposed Commercial Lease for *Palisades Tahoe Resort, LLC*.

**DATE PREPARED:** June 5, 2025

## **COMMERCIAL LEASE**

THIS LEASE is made and entered into this on the last day of signing between OLYMPIC VALLEY PUBLIC SERVICE DISTRICT, a California public entity, (hereinafter called "Lessor") and ALTERRA MOUNTAIN COMPANY (hereinafter called "Lessee").

### **WITNESSETH:**

Lessor leases to Lessee, and Lessee hires from Lessor the administrative office space, consisting of approximately 3,140 square feet±, located at 1810 Olympic Valley Road, Olympic Valley, Placer County, California, as shown on the attached Exhibit "A" (the "Premises"), upon the following terms and conditions:

#### **1. TERM:**

The term hereof shall commence on November 1, 2025 and terminate on October 31, 2028 unless sooner terminated pursuant to the terms and conditions herein set forth (the "Term").

#### **2. RENT; LATE PENALTY AND INTEREST:**

a. Lessee shall pay monthly rent to Lessor, for the use and occupancy of said Premises, the minimum monthly rent of Seven Thousand, Eight Hundred, Fifty Dollars (\$7,850.00) payable in advance on the first day of each and every month during the Term. Lessee shall pay the first month's rent, or rent prorated to the date of commencement of the Term if less than a full month, upon commencement of the Term.

b. In the event that Lessee shall fail to pay rent within fifteen (15) days from the date that the same shall become due, Lessee shall additionally pay to Lessor a penalty therefor equal to ten (10%) percent of the installment of rent then due and delinquent. Delinquent rent shall gather interest at the rate of twelve (12%) percent per annum from date due until paid in full.

#### **3. RENTAL RATE INCREASE:**

a. The monthly rent for hire of said premises shall be subject to a 50 cents/sf increase commencing at the conclusion of the initial twelve (12) month period from date of execution hereof and every twelve (12) months thereafter:

#### **4. TAXES:**

a. Lessee shall pay all taxes levied upon personal property, including without limitation its own trade fixtures, equipment and inventory, and those fixtures and equipment, if any, now affixed to the demised Premises which are the property of Lessor.

b. Pursuant to Revenue and Taxation Code section 107.6, the possessory interest created by this Lease may be subject to property taxation. Lessee shall pay and be solely responsible for any possessory interest tax levied or assessed by the County of Placer and/or any other governmental agency. Lessee shall pay said tax directly to the levying agency upon receipt of the same, if separately billed to Lessee. However, in the event that Lessor shall be separately billed for or on account of any

such possessory interest tax, Lessee shall pay to Lessor an amount equal to said tax within thirty (30) calendar days before the taxing authority's delinquency date therefor.

#### **5. SECURITY DEPOSIT:**

a. Upon execution hereof, Lessee shall pay to Lessor the sum of Ten Thousand Dollars (\$10,000.00) as a deposit to secure Lessee's timely and full performance of the terms and conditions hereof. Lessee shall not be entitled to any interest on said security deposit, nor shall Lessor be required to maintain any segregated depository account therefor.

b. Should Lessee be in default of payment of rent when due, or should Lessee fail to pay any other sum payable to Lessor hereunder when due, Lessor may, at its sole option and without prior notice thereof, use and apply any portion or all of the security deposit in payment of any such overdue rent or other sum(s) as may then be due and outstanding. In such event and upon written demand from Lessor, Lessee shall forthwith pay to Lessor such sums in cash as may be necessary to restore the security deposit to the full amount originally deposited pursuant hereto. Lessee's failure to do so, within fifteen (15) calendar days after receiving such demand, shall constitute a material breach of this lease. In the event Lessee shall fully comply with all of the terms and conditions of this Lease and promptly pay all rent and other charges as the same become due during the term hereof, Lessor shall remit to Lessee all sums held as a security deposit upon termination hereof.

#### **6. UTILITIES/SNOW REMOVAL:**

a. At the fixed-rate set forth in Sections 6(b) and (c) below, Lessee shall pay for all utilities and utility-type services supplied to, used or consumed upon the premises by Lessee, including but not limited to electricity, propane, water, sewer, trash and snow removal. Such charges shall be paid by Lessee to Lessor, together with rent, in advance on the first (1<sup>st</sup>) day of each month during the term hereof.

b. Lessee shall pay the sum of One Thousand Dollars and Zero Cents (\$1,000.00) per month, in addition to the rent of the Premises, for utilities and utility-type services supplied to, used or consumed upon the Premises by Lessee, including, but not limited to, electricity, propane, water, sewer, and trash removal.

c. Lessee shall further pay the sum of Three Hundred Dollars and Zero Cents (\$300.00) per month, in addition to the rent of the Premises, for snow removal of the parking area and roof, as needed.

#### **7. USE OF PREMISES:**

a. The leased Premises shall be used by Lessee for operation of an office space, as is allowed by the County of Placer and applicable governmental agencies, and for no other purpose without Lessor's prior written consent. Lessee shall at all times conform and comply with any and all laws, ordinances, regulations, ordinances or restrictions applicable to Lessee's proposed use of the subject property, including without limitation those imposed, adopted, or enforced by any federal, state or local government, including the County of Placer, applicable to said use.

## **8. USE OF COMMON AREAS:**

a. The Premises consist solely of office space which are adjoined and partitioned from the garage bays; but the outbuildings and improvements occupied by the Olympic Valley Public Service District and by Lessor are not a part of the demised Premises..

b. Lessee agrees to not commit or suffer to be committed any acts or things that may disturb any other tenant, lessor, or occupant at 1810 Olympic Valley Road.

c. Lessee shall be entitled to non-exclusive vehicular and pedestrian access on, over and across the improved parking areas, located upon the property which the Premises are a part, which right of use shall be in common with that of Lessor, the Olympic Valley Fire Department, and other of Lessor's tenants.

d. Lessee shall have a non-exclusive right to use of six (6) parking spaces for Lessee, its employees, invitees and guests, upon a first-come/first-served basis. Lessor reserves the right to designate specific parking spaces for Lessee and/or to adopt reasonable rules regarding use of the parking lot area. Lessee assumes responsibility for compliance by its employees with the parking provisions contained herein. Lessee agrees to cooperate with Lessor and the other tenants of the Premises, including the Olympic Valley Public Service District, regarding use of available parking.

e. Lessee shall not store, house, or maintain any personal property, trade equipment, disabled vehicles, trash, garbage or refuse upon the Property located outside of the demised Premises, whatsoever. Vehicles shall not be parked, left, stored, or repaired outside of the Premises and no overnight parking of vehicles shall be allowed whatsoever.

f. Lessee, its employees and invitees, shall be entitled to use the Common Areas during the term hereof and in common with Lessor and such other persons authorized by Lessor from time to time to use such areas, as authorized by Lessor.

g. Lessee is advised that there is no guarantee to off-site parking in areas not on the Premises. If off-site parking is required by Lessee, its agents, employees and invitees, Lessee agrees that it shall make suitable arrangements with adjacent property owners, or others, for off-site parking upon adjacent property. Lessor shall not be liable nor responsible for or in any way related to the availability of offsite parking nor shall this Lease be conditional thereon.

## **9. SIGNS:**

Lessee shall not place or affix any signs or other advertising upon the windows, exterior of the demised Premises, and/or the building within which the Premises are located without first having had and obtained the written consent of Lessor.

## **10. MAINTENANCE AND REPAIRS:**

a. Lessor shall maintain the common areas and exterior of the leased building and Premises, including the landscaping, roof, exterior walls and exterior plumbing to the leased Premises in good condition and repair. Lessor shall maintain the heating and ventilation system in good condition and repair.

b. Lessee, at its own cost and expense, shall keep and maintain the interior of the Premises, appurtenances and every part thereof, including, but not limited to, the maintenance, replacement and repair of signs, doors, window casements, glazing, interior plumbing fixtures, interior electrical fixtures, plugs and switches, interior heating and air conditioning systems. Lessee shall not commit damage nor waste upon the demised Premises whatsoever and upon expiration or termination hereof, Lessee shall return and surrender said property and Premises in the same or better condition as received, normal wear and tear excepted. Lessee assumes all risk of breakage of glass on said Premises and will replace all such breakage at its own expense. For purposes hereof, "interior" plumbing and electrical shall relate to pipes, wiring, switches, switch boxes, fixtures and facilities, which are located within interior walls and exterior walls, but shall not include such facilities or systems which are located outside of the Premises.

c. Lessor shall keep and maintain the real property, of which the Premises are a part, in clean condition. Lessor shall be responsible for maintaining parking lot paving and striping.

d. Lessor shall not be liable for any damage done to said Premises, or any of the fixtures, merchandise, property or equipment therein contained, whether owned by Lessee or by any other person, due to the overflowing or breaking of water pipes, tanks, drains, basins, toilets, lavatories or gutters or from smoke, fire, odors, earthquake, explosion, gas, electricity, lighting and wiring, or from any other cause and whether having its origin in the Premises hereby leased or elsewhere unless said damage is the result of Lessor's negligence or willful misconduct.

e. Lessee shall fully indemnify, defend, and hold Lessor harmless on account of the construction or erection or improvements by Lessee upon the Premises, including, but not necessarily limited to, any and all claims for death, injury, property damage, fault in design and/or workmanship and/or the cost and expense of construction of the same.

## **11. DESTRUCTION OF PREMISES:**

If during the term of this Lease said building should be totally destroyed or damaged to the extent of more than fifty percent (50%) of its usable value by fire, earthquake, or any other of the elements, or from some unforeseen or extraordinary cause, then this Lease shall terminate and Lessee shall immediately surrender said Premises to Lessor, and Lessor shall be under no obligation to rebuild, and Lessee will thereupon be relieved from the payment of any further rent and shall be refunded on a pro rata basis any rent advanced or unearned that may at such time have been paid. If during the term of this Lease said building should be partially damaged to the extent of not more than fifty percent (50%) of its usable value by fire, earthquake or any other of the elements, or by reason of any defect therein, or in any part thereof, or from some unforeseen or extraordinary cause not the fault or negligence of Lessee, this Lease shall nevertheless continue in effect and Lessor agrees to make the necessary repairs with all reasonable diligence and, in all events, within one hundred twenty (120) days after such damage occurs. Should Lessor fail to make such repairs within said period, then Lessee may terminate this Lease by giving Lessor written notice thereof and shall be refunded on a prorated basis any advanced or unearned rent that may at such time have been paid; provided, however, that the obligation of Lessor to make such necessary repairs shall be subject to delay on account of strikes, lockouts, availability of contractors and materials, acts of God, national emergencies and other events beyond the control of Lessor. In the event of such partial loss, Lessee shall be entitled to a rebate in the rent to such amount as is proportionate to the value of the space lost to Lessee, if any, for the period it

is so lost. If the parties cannot agree upon the amount of such rebate, or upon the percentage of damage caused by said fire or other extraordinary cause, then the amount of such rebate or extent of such damage shall be determined and fixed by arbitrators, each of the parties appointing an arbitrator, and in case the two arbitrators so selected cannot agree, then they shall select a third arbitrator, and the decision of any two of said arbitrators, delivered in writing to the parties hereto, shall be conclusive and binding upon both parties. Said arbitrators shall be licensed real estate appraisers. No such rebate shall be allowed unless a written notice of intention to claim such rebate be made by Lessee and served upon Lessor, setting out the location and amount of space not occupied, within fifteen (15) days after the occurrence of the damage to the building from which said claim arises.

## **12. INDEMNIFICATION AND INSURANCE:**

a. Lessee shall indemnify, defend, and hold Lessor harmless from or on account of any suit, action, proceeding, claim or demand arising out of or for injury to any person or property in or about the demised Premises caused by any act or omission of Lessee, its agents, servants, employees, patrons, customers, licensees, and invitees.

b. Lessee shall procure, pay for and continuously maintain during the term hereof or any extension thereof a policy of liability insurance specifying Lessor and its officials, employees, and agents as additional named insured thereon with a policy of combined single limits coverage of at least TWO MILLION DOLLARS (\$2,000,000) per person and FIVE MILLION DOLLARS (\$5,000,000) per occurrence.

c. Lessee shall maintain its own fire and hazard insurance, insuring its contents and leasehold improvements, and shall specify Lessor and its officials, employees, and agents as named additional insured thereon. Insurance required hereunder shall be placed with companies holding a "General Policy Holders Rating" of "A-," or better, as set forth in the most current issue of "Bests Insurance Guide", or its equivalent. Lessee shall deliver to Lessor copies of all policies of such insurance or certificates evidencing the existence and amounts of such insurance with loss payable clauses satisfactory to Lessor. No such policy shall be cancelable nor subject to reduction of coverage nor other modification or revision except after ten (10) days' prior written notice to Lessor. Lessee shall, within ten (10) days prior to the expiration of such policies, furnish Lessor with any and all renewals, "binders", or evidence of extension of any and all such policies of insurance, or Lessor may procure and obtain the required insurance and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Lessee shall not do nor permit to be done upon the demised Premises anything which would invalidate the insurance policies required to be maintained by Lessee pursuant hereto.

d. Lessor shall obtain and keep in force during the term of this Lease a policy or policies of insurance covering loss or damage to the building and Premises, but not any of Lessee's property, fixtures, equipment or tenant improvements. Said insurance shall be in an amount of at least the full replacement value of the building and Premises, as the same may exist from time to time, providing protection against all perils included within the classification of fire, extended coverage, vandalism, malicious mischief, earthquake (in the event the same is required by a lender having a lien on the Premises), and special extended perils ("all risk" as such term is used in the insurance industry). Lessee shall pay and reimburse Lessor its proportionate share of the cost and premiums incurred by Lessor in connection with obtaining and maintaining said policy or policies of insurance as set forth

herein. Lessee's proportionate share of said costs shall be calculated based on the proportionate area of the leased space, is included in the total utility cost set forth in Section 6(b). Lessor shall indemnify and hold Lessee harmless from or on account of any suit, action, claim or demand arising out of or for injury to any person or property in or about the common areas or other areas of the building (but excluding the Premises) caused by any act or omission of Lessor, its agents, employees, or independent contractors.

e. Lessor or its agents shall not be liable for any damage to property entrusted to its employees, nor for loss or damage to any property by theft or otherwise, nor for any injury to or damage to persons or property resulting from flood, fire, explosion, steam, gas, electricity, water or rain which may leak into any part of the Premises or from the street or subsurface or from any other place resulting from any cause whatsoever, unless caused by or due to the sole negligence of Lessor, its officials, employees, or agents. Lessee shall give prompt notice to Lessor in case of fire or accidents on the Premises.

### **13. ASSIGNMENT:**

a. Lessee shall not assign this Lease nor any interest therein nor shall said Premises or any part thereof be sublet without Lessor's written consent first had and obtained and neither this Lease, nor any interest therein, shall be assigned or assignable either by operation of law or otherwise. In the event Lessee should attempt to assign or sublet this Lease or the demised Premises; or in the event Lessee voluntarily or involuntarily makes or petitions for the appointment of a receiver or petition in insolvency or bankruptcy; or in the event a receiver is appointed by a court of competent jurisdiction for the administration of Lessee's affairs, or in the event of an assignment by Lessee of its assets (whether excluding or including this Lease or any portion thereof) for the benefit of its creditors, this Lease shall, at the option of Lessor forthwith cease and terminate.

b. Lessor agrees that it shall not unreasonably withhold, condition, or delay its consent to a proposed assignment of this Lease or subletting of the Premises by Lessee. Factors that Lessor shall have the right to consider in determining if it will consent to a requested assignment or subletting shall include, but shall not be limited to: the credit rating, financial history, and business experience of the proposed new Lessee; the nature, character and quality of the business to be conducted by the proposed new Lessee, the requirements of the proposed Lessee for services furnished by the Lessor, and, the impact of the business of the proposed new Lessee upon the entire Premises, including other tenants thereof.

c. In the event Lessee shall sublet or assign this Lease, with the prior written consent of Lessor, Lessee shall pay to Lessor any and all additional consideration or compensation that Lessee shall be paid or entitled to be paid by the sublette or assignee to Lessor, as additional rent that shall become due monthly throughout the remaining Term. Said compensation shall include, but not be limited to, any compensation paid or payable to Lessee for the assignment of subletting of Premises; additional rent which is in excess of the rent payable by Lessee to Lessor for all or any portion of the Premises and which represents any increase to the rent, applicable during the year in which such subletting or assignment occurs, divided by 3,140 square feet of the demised Premises, or any portion thereof which is subject of said assignment or subletting.



#### **14. RIGHT OF ENTRY FOR INSPECTION:**

a. Lessor, or its agents, shall be entitled to enter upon the Premises at reasonable times and upon the giving of reasonable notice for the purpose of inspecting the Premises or showing the same to prospective tenants or purchasers.

#### **15. DEFAULT AND RE-ENTRY:**

This Lease is subject to the limitations that if, at any time during the lease term, an "Event of Default", as hereinafter defined, shall occur, then upon such event of default and the expiration of the period of time prescribed in any required notice and prior to Lessee's curing an existing default, Lessor shall, at its option without additional notice to Lessee and without prejudice to any other rights and remedies hereunder or by law, have the following rights and remedies:

- a. Though Lessee has abandoned the leased Premises, the Lease shall continue in effect unless Lessor elects to terminate Lessee's right to possession by written notice. Lessor may enforce all its rights and remedies under the Lease, including the right to recover rent as it becomes due. In no event shall Lessor's acts of maintenance or preservation of the leased Premises be deemed to constitute a termination of Lessee's right to possession. Lessor may take whatever actions provided herein, or as permitted by law, without terminating this Lease, and this Lease shall continue in full force and effect until and only if Lessor gives to Lessee written notice of its election to terminate this Lease.
- b. Lessor may elect, by written notice to Lessee, to terminate this Lease at any time after the occurrence of an event of default; and, in such event Lessor may, at its option declare this Lease and Lessee's right to possession terminated, and Lessor shall be entitled to the right to re-enter and take immediate possession of said Premises and every part thereof. If re-entry is made after abandonment by Lessee, Lessor may consider any property belonging to Lessee and left on the Premises to have been abandoned. Lessor may utilize or dispose of such property without liability. Any such re-entry shall be permitted by Lessee without hindrance; and Lessor shall not thereby be liable in damage for such re-entry or be guilty of trespass or forcible entry.
- c. In the event Lessor elects to terminate this Lease and Lessee's right to possession in accordance with subparagraph (b), or the same are terminated by operation of law, Lessor may recover as damages from Lessee the following:
  - i) The worth at the time of the award of the unpaid rent and other sums which are due hereunder which had been earned at the time of termination of this Lease;
  - ii) The worth at the time of the award of the amount by which the unpaid rent which would have been earned after the date of termination of this Lease until the time of award exceeds the amount of such loss of

rent and other sums due that Lessee proves could have been reasonably avoided;

- iii) The worth at the time of award of the amount by which the unpaid rent and other sums due hereunder for the balance of the lease term after the time of award exceeds the amount of loss of such rent and other sums that Lessee proves could have been reasonably avoided; and
  - iv) Any other amounts, including attorney's fees and court costs, necessary to compensate Lessor for all detriment proximately caused by Lessee's failure to perform Lessee's obligations under this Lease, or which in the ordinary course of things would be likely to result therefrom.
- d. The worth at the time of award of the amounts referred to in subparagraphs C i) and (ii) above, shall be computed by allowing interest at the rate of ten percent (10%) per annum. The "worth at the time of award" of the amount referred to in subparagraph 3(C) above, is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one (1%) percent.
  - e. Efforts by Lessor to mitigate damages caused by Lessee's breach of this Lease shall not constitute a waiver of Lessor's right to recover damages under the foregoing provisions.
  - f. Nothing herein affects the right of Lessor to indemnification for liability arising prior to the termination of this Lease for personal injuries or property damage as may be provided elsewhere in this Lease.
  - g. The foregoing remedies of Lessor shall be cumulative, or alternative, as Lessor determines, and shall be in addition to all rights and remedies now and hereafter provided or allowed by law.
  - h. An "event of default" hereunder shall be deemed to be any one or more of the following:
    - i) If Lessee shall make an assignment for the benefit of its creditors; or
    - ii) If any petition for bankruptcy, reorganization, composition, extension, arrangement, or insolvency proceedings, and Lessee shall thereafter be adjudicated bankrupt, and if such proceeding shall not be dismissed within sixty (60) days after the institution of the same, or, if any such petition shall be so filed by Lessee; or
    - iii) If, in any proceeding, a receiver or trustee shall not be discharged within sixty (60) days after his appointment; or

- iv) If Lessee shall fail to pay when due any rent or other sum due hereunder and such failure by Lessee continues following ten (10) days' written notice of default and demand for cure; or
- v) If Lessee shall fail to perform or observe any other requirement of this Lease and such failure by Lessee continues following fifteen (15) days' written notice of default and demand for cure.

#### **16. FIXTURES AND IMPROVEMENTS/ALTERATIONS:**

a. Lessee accepts the Premises "as-is". Lessee shall not make or allow to be made any further alterations or physical additions in or to the lease Premises without the prior written consent of Lessor. Upon expiration of the term or any sooner termination hereof, any and all alterations, additions or improvements made or installed upon the Premises by Lessee shall be and become the property of Lessor. However, all movable furniture and trade fixtures and equipment installed in the Premises by Lessee shall remain the property of Lessee and shall be immediately removed upon expiration of the term or termination of this Lease, provided Lessee shall repair any damage to the building occasioned by such removal.

b. Any construction or erection of alterations and /or improvements by Lessee must be approved by Lessor, in advance and in writing. Lessor's approval shall be in Lessor's sole and absolute discretion. Any such approved alterations and/or improvements shall be undertaken in a good and workmanlike manner and in full compliance with the Uniform Building Code and any and all other governmental ordinances or regulations applicable to the same. Lessee shall be responsible to secure all permits as may be required for construction of its alterations and/or improvements and shall be required to pay for the same at its own cost and expense.

c. Lessee shall be obligated to surrender and deliver possession of the Premises free and clear of all trade fixtures and if Lessee fails to do so within thirty (30) days, then Lessor may effect such removal and restoration at Lessee's expense, the cost of which shall be immediately payable upon demand by Lessor.

d. Lessee shall keep the Premises and all improvements thereon free from any and all liens arising out of any work performed, materials furnished or obligation incurred by Lessee, Lessee's employees, agents and contractors. Lessee will hold Lessor free and harmless and indemnify the Lessor, its officers, directors, agents, employees, and contractors, against any and all claims for labor and materials in connection with any improvements, repairs, or alterations to the Premises made by Lessee and also the cost of defending against any and all such claims including reasonable attorneys' fees and court costs.

#### **17. NO RIGHT TO EXTEND OR RENEW CONFERRED:**

There shall be no right to renew or extend this Lease. Further, neither the execution, delivery of possession nor occupancy of the Property by Lessee shall, in any manner, create, confer or convey any right or option to purchase the Premises or the Property of which the Premises are part, nor any right of first refusal of purchase of the Property and Premises, whatsoever. Lessor covenants and agrees that it shall, without binding obligation, enter into good faith negotiations with Lessee regarding

renewal or extension of this Lease before expiration of the term hereof, subject to the mutual written agreement of Lessor and Lessee as to the terms and conditions of such renewal or extension, including, but not limited to, rent, rental increases and as otherwise agreed. Lessor reserves the right to withhold the Premises for further rental occupancy beyond the term of this Commercial Lease, should Lessor so determine in its sole discretion.

**18. RELATIONSHIP OF PARTIES:**

a. No joint venture, partnership nor other relationship, other than that of Landlord and Tenant, is nor shall be created hereby, whatsoever.

**19. HOLD OVER TENANCY:**

Any holding over after the expiration of the term hereof, with the consent of the Lessor, shall be construed to be a tenancy from month to month, upon the terms and conditions, including payment of rent, as specified herein, and/or prorated on a monthly basis if less than a full month.

**20. HAZARDOUS SUBSTANCES AND MATERIALS:**

Lessee shall not use, allow, or cause to be used, any hazardous or toxic substances or materials. Lessee shall not store, cause to be stored, or dispose of any hazardous substance, material or waste upon the Premises or upon Lessor's property upon which the Premises are located, except in accordance with all state, federal and local governmental laws, regulations or ordinances applicable thereto. Lessee shall be solely responsible for all costs, damages, fines, penalties and remuneration arising from the use or storage of hazardous substances, materials or wastes which Lessee uses, allows to be used, stores, allows to be stored, or disposes of, in or about the Premises. Lessee further assumes all responsibility for clean-up of any spills, contamination or pollution, and reparation of property which may arise from the use or storage of hazardous chemicals, substances, materials or wastes and shall be solely responsible for all costs, damages, fines, penalties and remuneration for the clean-up of said pollution or contamination.

Lessee shall indemnify, defend, and hold Lessor harmless from and on account of all damages to persons and to property (whether real or personal), claims, causes of action, penalties, fines, attorneys' fees, remuneration and/or costs of clean-up and reparation as may be suffered or incurred by Lessor and resulting from the use, storage, disposal, spillage or overflow of chemicals, hazardous substances, materials or wastes in or about the demised premises.

**21. GOVERNMENTAL APPROVALS:**

Lessee shall take full responsibility for securing any and all permits, including conditional use permits, or approvals as may be required by the County of Placer and/or any other governmental agency, and as may be applicable to Lessee's proposed use, occupancy of or improvement to the Premises and operation of business thereon. Lessee hereby waives any and all claims, demands, causes of action or obligations arising from or on account of Lessee's failure or inability to secure necessary approvals for purpose of the proposed occupancy and use of the subject Premises by Lessee.

**22. NO RECORDING OF LEASE:**

It is hereby covenanted and agreed that neither a Memorandum of Lease nor this Lease shall be recorded, nor recordable, whatsoever.

**23. TIME OF ESSENCE:**

Time is of the essence hereof.

**24. BINDING EFFECT:**

This Lease shall inure to the benefit of and be binding upon the heirs, executors, personal representatives, sub-entities, affiliates, agents, successors and assigns of the parties hereto.

**25. WAIVER:**

No failure of Lessor to enforce any term or condition hereof shall be deemed as a waiver of its right to subsequently enforce any of the terms, conditions or provisions hereof.

**26. ATTORNEY'S FEES:**

Should either party commence suit to enforce any of the terms, conditions or covenants hereof; for a declaration of their respective rights and duties pursuant hereto, or, for termination, eviction, unlawful detention or to secure possession of the demised property and Premises, the prevailing party shall be awarded any and all costs, expenses and attorney's fees incurred in connection therewith.

**27. CHOICE OF LAW AND VENUE**

This Lease shall be construed and governed by the laws of the State of California. Any action or proceeding to enforce the terms of this Lease shall be brought in the Superior Court of California for the County of Placer, which shall have exclusive jurisdiction therefor.

**28. ENTIRE AGREEMENT**

This Lease contains all agreements of the parties hereto with respect to any matter covered or mentioned in this Lease and no prior agreements or understanding pertaining to any such matters shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors in interest. This Lease shall not be effective or binding on any party until fully executed by both parties hereto.

**29. SEVERABILITY**

Any provision of this Lease which shall prove to be invalid, void, or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provision shall remain in full force and effect.

**30. NOTICES:**

Any notices required or contemplated to be given under or pursuant to this Lease shall be given and addressed as follows:

To Lessor

Olympic Valley Public Service District  
Attn: Charley Miller, General Manager  
P.O. Box 2026  
Olympic Valley, CA 96146-2026

To Lessee

Alterra Mountain Company  
Attn:  
P.O. Box 2007  
Olympic Valley CA 96146

Signature: \_\_\_\_\_

By: Charley Miller

Title: General Manager

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST

\_\_\_\_\_  
By: Jessica Asher

Board Secretary

Date: \_\_\_\_\_

EXHIBIT A

The Premises

