

BOAT SLIP LEASE AGREEMENT

(the "Lease")

TWIN ECHO SHORES ASSOCIATION INC.
(the "Lessor" hereinafter referred to as the "Resort")

FOR THE _____ OPERATING SEASON

DATE OF LEASE: _____

TWIN ECHO SHORES ASSOCIATION SITE NO.: _____

NAME OF OWNER(S) (the "Lessee" hereinafter referred to as the "Member"):

DESCRIPTION OF BOAT(S) (the "Boat"):

(year, manufacturer, model, type, length, color) BOAT IDENTIFICATION No.: _____

INSURANCE POLICY UNDERWRITER: _____

INSURANCE POLICY NO. (must include proof of insurance): _____

ANNUAL OPERATING SEASON SLIP RENTAL AMOUNT: _____ (includes applicable taxes)

ASSIGNED SLIP NUMBER (the "Slip"): _____ (to be assigned by the Resort)

MEMBER MAILING ADDRESS FOR NOTICES: _____

MEMBER EMAIL FOR NOTICES: _____

ASSOCIATION ADDRESS FOR NOTICES: Twin Echo Shores Association, P.O. Box 339, Rathdrum, ID 83858

LEASE AGREEMENT and TERMS:

1. **LEASE AGREEMENT:** Resort hereby leases to Member, and Member leases from Resort, the moorage space identified above by slip number ("Slip "), upon the terms and conditions set forth herein.
2. **TERM OF LEASE:** The operating season and term of this Lease shall run from April 15th to October 15th of each year (the "Operating Season"). The Slip is leased for the entire year/Operating Season and there

will be no partial refund of the annual operating season slip rental amount for early termination of the Lease.

- a. Right of First Refusal in Subsequent Years: Member shall have first right of refusal on leasing the Slip in the following year/Operating Season. However in the event Member elects not to renew the Lease, or the Lease is terminated, the next person on the Resort's moorage waiting list will be offered the Slip.

3. RENTAL AMOUNT: As consideration for this Lease, Member shall pay the Annual Operating Season Slip Rental Amount, as set by the Resort (and as specified above) on or before March 1, _____ (year).

4. COVENANTS OF RESORT:

- a. The Resort will provide a slip for moorage of Member's Boat, subject to the Covenants of Member, as set forth below, as well as such regulations as the Resort may establish from time to time.
- b. Subject at all times to Article 7(a), the Resort will maintain and repair the docks on a regular basis. Member related maintenance concerns regarding the Slip and marina should be forwarded to the Resort by written or electronic notice.

5. COVENANTS OF MEMBER:

- a. Member shall comply at all times with all present and future applicable ordinances, resolutions, statutes and established Resort rules.
- b. Member shall comply with all present and future health, safety, environmental and sanitary rules and regulations of any and all applicable regulatory bodies, including but not limited to those established by any and all federal, state and local government agency, by the U.S. Army Corp of Engineers and by the United States Coast Guard.
- c. Member agrees that the Resort, its members, managers, directors, officers, employees, volunteers, representatives, agents and insurers shall not be liable to Member or any other person for any loss, injury, death or damage to persons or property that may arise in relationship to Member or Member's guest's use of the Slip or marina area. Member further agrees to indemnify, defend, release, discharge and hold the Resort, its members, managers, directors, officers, employees, volunteers, representatives, agents and insurers harmless from and against any and all loss, cost, liability, damage and expense, including but not limited to reasonable attorney's fees, penalties and fees incurred in connection with or arising from:
 - i. any default by Member of the terms and conditions of this Lease;
 - ii. the use of the Slip and marina by Member, its family members, guests, invitees, licensees, vendors, visitors and/or agents;
 - iii. acts, omissions and/or negligence of the Resort, its members, managers, directors, officers, employees, volunteers, representatives and/or agents in or around the Slip and/or marina, except for the sole negligence of the Resort;

- iv. acts, omissions and/or negligence of Member, its family members, guests, invitees, licensees, vendors, visitors and/or agents whether individuals or businesses, in or around the Slip and/or marina;
 - v. storm, fire, theft, or other casualty whatsoever;
 - vi. any claims by any other person by reason of loss, injury, death or damage to persons or property due to an act, occurrence or omission set forth above in this Section C.
 - vii. Member acknowledges and agrees that the Boat and all personal property of Member is moored at the Slip at Member's sole risk, and the Resort shall not be liable for any loss or damage thereto.
 - viii. Damage to the Slip caused (or suffered to be caused) by Member and/or the Boat must be repaired at Member's sole expense. Failure to repair damage to the Slip within fourteen (14) days after notification by the Resort may, at the discretion of the Resort, result in the termination of this Lease, and without any right to reimbursement or other compensation for the remainder of the Operating Season. Under no circumstances shall Member change, modify or alter the Slip or any portion thereof without the prior approval of the Resort.
- d. Member agrees and understands that this Lease is valid only for the Boat and Term identified above. This Lease cannot be transferred, sold, conveyed, demised, bequeathed, or otherwise disposed of in any manner to any other person or entities by Member. Any agreement to the contrary is and shall be null, void, and unenforceable.
 - e. Member is solely responsible for the safe and responsible operation and mooring of the Boat. Member shall not permit the Boat to create any wake or wash which could cause damage to other craft or the Resort's property.
 - f. Member may only use the Slip for purposes of moorage of the Boat and for no other purposes whatsoever.
 - g. Member shall keep and maintain the Slip in a clean and sanitary condition at all times. Upon termination of this Lease, Member shall surrender the Slip in good order and repair, normal wear and tear excepted.
 - h. The Resort shall have the right from time to time, and with reasonable prior notice or without notice in the case of emergency, to board the Boat when moored at the Slip to determine if the Boat is in compliance with the terms of this Lease or if an emergency situation occurs.
 - i. Member shall not sublease the Slip to a third party, facilitate the use of the Slip by a third party, or collect any moorage fees from a third party.
 - j. Member agrees that use of the Slip on at least one occasion during the term of this Lease is required. "Use" shall mean actual physical visitation and physical use of the Boat and Member's Slip.
 - i. Member expressly agrees that due to the limited number of slips available to Members, the non-use of the Slip deprives those Members desiring to utilize the limited number of slips for their boats and activities of an opportunity to make the most productive use of

the Resort's marina assets, including the Slip. Members are therefore required to inform the Resort of dates when they will not be using their slip for more than seven (7) consecutive days so the Resort may make their Slip available for leasing to third parties during their absence / periods of non-use ("Short Term Lease"). Third parties will be limited to members, resort guests and renters, with priority given to Members on the Resort's moorage wait list.

- ii. If the Member's Slip is vacant during the term of this Lease, and the Resort has not been provided with notice that the Slip is available for a Short Term Lease, the Resort may contact the Member and request whether the Slip is available for a Short Term Lease, and obtain the term of availability.
- iii. Penalties: In the event a Member (a) fails to use the Slip on one occasion during the Term of this Lease, or (b) fails to cooperate or agree to permit leasing to a third party, then the Resort may terminate this Lease with Member and enter into a new Lease with a new Member. In such event, the Member identified in this Lease shall lose all rights under this Lease, including any right of first refusal in the subsequent year.
 1. Member agrees and acknowledges that this is a material term of this Lease, and that Member may lose Member's rights under this Lease upon the conditions set forth above. Member expressly waives any claims against the Resort for any loss of Member's rights under this Lease due to noncompliance with the terms specified herein, which include but are not limited to failures to use the slip, failure to provide reasonable notice to the Resort of the Slip's availability, or failure to cooperate and permit a Short Term Lease of the Slip.
 2. In the event the Resort exercises its rights to terminate this Lease and enter into a subsequent lease of the Slip to a third party, the Member shall not receive any refund or reimbursement.
 3. In the event the Resort enters into a Short Term Lease, the Resort shall pay Member one-half of the total rents collected by the Resort for the Short Term Lease, which are presently set at \$15/day, or \$75/week. However, in no event shall the Resort be obligated to reimburse Member more than the Annual Operating Season Slip Rental Amount. The reimbursement amount will be paid by the Resort to Member at the end of the Operating Season.
- k. Member covenants and agrees that the Boat shall only be used for recreational and pleasure purposes, and shall not be used for any commercial purposes whatsoever. Member further covenants and agrees that Member has an ownership interest in the Boat and is fully authorized to bind all other owners of the Boat to the terms and conditions of this Lease. If there is more than one owner of the Boat, the terms of this Lease shall apply jointly and severally to all of the owners. By signing below, Member personally warrants that Member has the authority to sign and bind all other owners of the Boat to the terms and obligations of this Lease.
- l. The Annual Operating Season Slip Rental Amount and proof of insurance as set forth above shall be paid so that they are received by the Resort on or before March 1st of each Operating Season or this Lease shall be null and void. Only members in good financial standing with the Resort and in compliance with the covenants, conditions and restrictions, rules and regulations and bylaws of the Resort are eligible to lease a Slip.

- m. If during the term of this Lease, Member sells, transfers or conveys title to the Boat, Member shall provide the Resort with prompt written notice of the same. Member further agrees that promptly upon the effective date of such sale, transfer, or conveyance, the Boat shall be removed from the Slip and marina at no cost to the Resort. It is expressly understood and agreed that the new owner of the Boat shall have no right, title or other interest in this Lease. It is further agreed that if Member desires to use another boat pursuant to the terms of this Lease, Member shall first register the boat with the Resort and provide proof of insurance as required in the original Application/Lease.

6. MEMBER WARRANTIES AND REPRESENTATIONS:

- a. Member warrants that the Boat is and shall be maintained in a safe and seaworthy condition with, minimum liability coverage of at least \$300,000 combined single limit. Insurance coverage shall be maintained over the entire course of the Operating Season. The insurance shall cover damage done to the Slip, the marina, and any other boats or equipment in the vicinity of the marina. Member shall not be entitled to moor the Boat in the Slip until evidence of insurance satisfactory to the Resort has been provided by Member. Member agrees to equip and maintain the Boat with adequate mooring lines, dock tenders and to comply with all federal and state laws with regard to the boat and slips, including but not limited to those relating to fire extinguishers and flame arrestors.
- b. Member warrants and represents that Member has inspected the Slip and has satisfied her/himself that the space is adequate for the safe mooring of the Boat. This Lease is not a bailment of the Boat, but a lease of berthing space.

7. RESORT WARRANTIES AND REPRESENTATIONS:

- a. Resort makes no warranties, express or implied, as to the condition of the Slip or marina including floats, walkways, gangways and related items. Member acknowledges that Member has had an opportunity to inspect the marina and the Slip prior to execution of this Lease and agrees to accept the marina and Slip in its current, "AS IS" condition.

8. TERMINATION OF LEASE FOR CAUSE:

- a. This Lease may be terminated by Resort at any time for cause. Cause includes, but is not limited to, any violations of this Lease, any violations of any established Resort rules or Bylaws, any violations of any applicable state or federal law, rule or regulation.
- b. Termination of this Lease shall become effective fourteen (14) days from the date that written or electronic notice of the same is given to Member by the Resort.
- c. All terms and conditions of this Lease applying to any release of liability or indemnification for liability will remain in full force and effect (even though by the terms herein, this Lease will have terminated or expired) until such time as the Boat has been removed from the Slip and the applicable Statute of Limitations has expired. If the Boat remains at the Slip following termination of this Lease, and without otherwise limiting the rights of the Resort hereunder, the Resort may, at its sole discretion, remove the Boat from the Slip and make reasonable arrangements to store the boat, which shall be at Member's sole expense. Member agrees that Resort shall have a warehouseman's lien against the Boat until such time as Member pays the costs associated with removal and storage of the Boat.

9. GENERAL TERMS:

- a. In the case of any emergency that poses any risk to life, safety, or property, the Resort is authorized to (but under no duty to) move the Boat or take other action to alleviate the emergency condition without liability for damages or loss of any kind. Member agrees to reimburse the Resort for any and all expenses incurred in moving the Boat or taking other action to address the emergency.
- b. Member shall comply with all laws and regulations now or hereafter in effect concerning the protection of the environment in and around the marina, and pay the Resort for any damage, expense, or liability incurred due to Member's failure to comply with such laws and regulations, or due to any pollution created, caused by, or contributed to by Member.
- c. This Lease represents the entire agreement between the parties, and there are no representations, warranties, covenants or conditions, except those specified herein, or those specifically incorporated by reference to other documents, laws, rules, or regulations.
- d. This Lease may be amended or modified only by a written agreement signed by both of the parties.
- e. All notices given under this Lease must be in writing. A notice is effective upon receipt and shall be sent via one of the following methods: electronic notice, delivery in person, overnight courier service, certified or registered mail, postage prepaid, return receipt requested, addressed to the party to be notified at the address designated by the parties above.
- f. No Party shall be deemed to have waived any provision of this Lease or the exercise of any rights held hereunder unless such waiver is made expressly and in writing.
- g. By signing and dating this Lease, Member certifies receipt of a copy of the Lease. If more than one person executes this Lease as Member, their obligations shall be joint and several, and any act or signature of, or notice or refund to any one or more of them with respect to this Lease shall be fully binding upon each of them.
- h. In the event any suit, claim, action or any other legal proceeding is instituted to enforce this Lease, the prevailing party shall be entitled to recover, in addition to costs and expenses provided by statute or otherwise, all reasonable attorney's fees, including but not limited to attorney fees incurred for trial and/or on appeal. In the event such legal proceedings are had, this Lease shall be governed by the laws of the State of Idaho and the United States. Venue for any action hereunder shall be in the District Court of Kootenai County, Idaho. If any provision of this Lease shall be found to be void, such determination shall not affect any other provision of this Lease.

[End of text. Signature page follows on next page.]

MEMBER SIGNATURE

Executed this ____ day of _____, 20____ by Member:

PRINT NAME

SIGNATURE

PRINT NAME

SIGNATURE

RESORT SIGNATURE

Executed this ____ day of _____, 20____ by Resort:

TWIN ECHO SHORES ASSOCIATION INC.

By: (name) _____
Its: (title) _____