BEFORE THE BOARD OF COUNTY COMMISSIONERS FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. 2022-081

Approving a Lease of the Property Located at 830 N Hayden Meadows Drive Portland, OR 97217 for the JOHS Warehouse space.

The Multnomah County Board of Commissioners Finds:

- a. A lease of premises within the property located at 830 N Hayden Meadows Drive Portland, OR 97217 for the JOHS Warehouse ("Lease"), that will provide necessary warehouse space for storage of basic survival outreach supplies, severe weather gear, facilities equipment for alternative and traditional shelter spaces, and other items acquired by JOHS.
- b. Entering this agreement to lease a warehouse located at 830 N Hayden Meadows Drive ("JOHS Warehouse") will add a warehouse property to the JOHS portfolio. Entering this agreement will further the goals of the JOHS Safety on the Streets by optimizing centralized access to basic survival and severe weather outreach supplies for providers, agencies, and community groups who distribute these items to people experiencing unsheltered homelessness. The warehouse lease also furthers the goals of the Alternative Shelter Program by allowing for centralized storage of pallet shelters, hygiene units, and other mobile infrastructure for the ongoing shifting landscape of alternative shelter, enabling them to be deployed as appropriate across the County.
- c. Approval of the Lease in substantial conformance with the proposed terms is in the best interests of Multnomah County.

The Multnomah County Board of Commissioners Resolves:

- 1. The County Chair is authorized to execute a lease substantially in the conformance with the Lease, which is attached hereto as Exhibit 1.
- 2. The County Chair is authorized to execute renewals of the Lease and execute amendments to the Lease without further Board action.

ADOPTED this 15th day of September, 2022.



REVIEWED: JENNY M. MADKOUR, COUNTY ATTORNEY FOR MULTNOMAH COUNTY, OREGON

Βv

Jed Tomkins, Sr. Asst. County Attorney

SUBMITTED BY: Shannon Singleton, Interim Direction, JOHS

BOARD OF COUNTY COMMISSIONERS FOR MULTNOMAH COUNTY, OREGON

Debaron Kopping

Deborah Kafoury, Chair

EXHIBIT 1

DRAFT

LEASE AGREEMENT

by and between

Hayden Meadows, a Joint Venture ("Landlord")

and

Multnomah County, an Oregon political subdivision ("Tenant")

August 12, 2022

LEASE AGREEMENT

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- EXHIBIT A: The Building
- EXHIBIT B: The Center
- EXHIBIT C: Floor Plan of Demised Premises
- EXHIBIT D: Work Agreement
- EXHIBIT E: Legal Description for Land
- EXHIBIT F: Prohibited/Exclusive Uses
- EXHIBIT G: Subordination, Non-Disturbance and Attornment Agreement
- EXHIBIT H: Rules and Regulations
- EXHIBIT I: Statement of Tenant in Re: Lease
- EXHIBIT J: Option Addendum

DELTA PARK CENTER

LEASE AGREEMENT

Basic Lease Information

The following Basic Lease Information is hereby incorporated into and made a part of the Lease between Landlord and Tenant to which it is attached. Each reference in the Lease to any of the Basic Lease Information shall mean the respective information set forth below and such information shall be deemed incorporated as a part of the terms provided under the particular Lease Section pertaining to such information. In the event of any conflict between any Basic Lease Information and the Lease, the former shall control.

- 1. **Date of Lease**: August ____, 2022.
- 2. **Building**: <u>Exhibit A</u>.
- 3. **Center**: Delta Park Center as shown on <u>Exhibit B</u>.
- 4. **Landlord**: Hayden Meadows, a Joint Venture, an Oregon general partnership.

5. Landlord's Address for Giving of Notices and Payment of Rent:

Hayden Meadows, a Joint Venture c/o TMT Development Co., LLC 919 SW Taylor Street, Suite 700 Portland, Oregon 97205

6. **Tenant**: Multnomah County, an Oregon political subdivision

7. Tenant's Address for Giving of Notices:

Multnomah County Facilities and Property Management 401 N. Dixon Street Portland, Oregon 97227 Attn: Scott Churchill

8. **Premises:** 830 N Hayden Meadows Dr., Portland, OR 97217 consisting of 19,000 rentable square feet (RSF") as shown on <u>Exhibit C</u>.

9. **Use of Premises**: Tenant shall use the Premises only for storage under the Trade Name Multnomah County, Joint Office of Homeless Services or JOHS and for no other purpose.

10. **Prepayment of Rent**: Tenant shall pay to Landlord within 10 days after Lease execution an amount equal to the Base Rent for the first full month of the Lease Term in which Base Rent is due (\$12,666.67) ("Prepaid Rent") and such Prepaid Rent shall be applied to the first month of the Lease Term. Tenant shall also pay to Landlord within 10 days after Lease execution

Tenant's approximate pro rata share of Tax, Insurance, and Operating Expenses for the first month in which Taxes, Insurance, and Operating Expenses are due (\$7,003.27).

11. **Commencement Date**: Landlord shall deliver possession of the Premises to Tenant on October 1, 2022, with Landlord's Work substantially complete and otherwise in "AS-IS" condition ("Commencement Date").

12. **Expiration Date**: The final day of the thirty-ninth (39th) full calendar month following the Commencement Date.

13. **Base Rent**: Commencing on the Commencement Date, Base Rent is calculated at the initial rate of \$8.00 per rentable square foot per year, then escalated 3% annually beginning month 13 and is as follows:

Months	Annual Rate/RSF	Monthly Base Rent
1-3	\$0.00	\$0.00
4-12	\$8.00	\$12,666.67*
13-24	\$8.24	\$13,046.67
25-36	\$8.49	\$13,438.81
37-39	\$8.74	\$13,841.21

*Any first partial month is charged a prorated potion of this amount.

14. **Tenant's Percentage of Taxes, Insurance and Operating Expenses**: Commencing on the Commencement Date and throughout the lease Term, Tenant shall pay as Additional Rent its pro rata share of Taxes, Insurance, and Operating Expenses: 100% of Taxes and Insurance allocated to the Building; 2.24% of Operating Expenses allocated to the Center pursuant to Section 5.2.1 below; and 100% of Operating Expenses allocated to the Building pursuant to Section 5.2.1 below. The current estimate of Tenant's Additional Rent charge is \$4.42/RSF.

15. **Parking**: Tenant will be guaranteed up to two (2) parking spaces specially reserved for Tenant parking directly in front of the Premises. Tenant may park in other unmarked/unreserved parking spaces of the Building parking lot on a nonexclusive basis.

16. **Security:** Tenant will be permitted to install key card access to the Premises. See also <u>Section 14.7</u> of the Lease.

17. **Utilities:** Tenant shall pay for all utilities for the Premises, which shall be separately metered. See also <u>Section 14.2</u> of the Lease.

18. **Assignment and Subletting**: See <u>Section 9</u> of the Lease.

19. **Brokers**: Nicole John and Nicholas Diamond of Capacity Commercial Group, LLC (representing Landlord) and Joy Heinecke of Multnomah County (representing Tenant). Landlord will pay a brokerage commission to Landlord's broker pursuant to separate agreement. No commission is payable for any extension or renewal term.

- 20. Landlord's Work: As described in Exhibit D to the Lease.
- 21. Tenant Improvement: As described in Exhibit D to the Lease.

22. Lease Extension Option: Provided Tenant is not in default, beyond any applicable cure period, during the Lease Term, Tenant shall have one (1) successive option to extend the term for one (1) year, as more specifically described in Exhibit J.

LANDLORD:

Hayden Meadows, a Joint Venture an Oregon general partnership

By: Meadows Land Partnership, an Oregon general partnership, its Managing Partner

> D Park Corporation, an Oregon By: corporation, its Managing Partner

By: ______ Vanessa Sturgeon, President & CEO

Date:

Email: vanessa@tmtdevelopment.com

TENANT:

Multnomah County

By:

Deborah Kafoury, Chair

Date:

Email: scott.churchill@multco.us

DELTA PARK CENTER

LEASE AGREEMENT

Terms and Conditions

SECTION 1. DEMISE AND RENT

1.1 **Demise**. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, upon and subject to the terms, covenants, provisions and conditions of this Lease Agreement (herein called the "Lease"), the premises described in Section 1.2 in the building (herein called the "Building") located in the Center on the parcel of real property described on <u>Exhibit E</u> attached hereto and incorporated herein (the "Land").

1.2 **Premises**. The Premises (herein called "Premises") leased to Tenant are described in the Basic Lease Information and are outlined on the floor plan(s) attached hereto as <u>Exhibit C</u> and incorporated herein by this reference. The rentable area of the Premises and Building will be determined in accordance with the standard used for the Center from time to time. Landlord may perform a field check after Landlord delivers possession of the Premises to Tenant to determine the as-built rentable area of the Premises, and will adjust the Base Rent, Tenant's Percentage, the Allowance (if any) and all other figures in this Lease that are calculated on a square footage basis to conform to the as-built determination.

1.3 **Commencement and Expiration Dates**. The term of this Lease (herein called "Lease Term") shall commence on the Commencement Date and end on the Expiration Date specified in the Basic Lease Information (subject to adjustment as provided in Section 30) unless sooner terminated as herein provided. After the Commencement Date has occurred, the parties shall execute a supplemental memorandum stating the actual Commencement Date.

1.4 Rent. The rents shall be and consist of Base Rent (herein called "Base Rent") and Additional Rent (herein called "Additional Rent"). For purposes of this Lease Agreement, Base Rent and Additional Rent are referred to collectively as "Rent." Base Rent shall be the amount indicated in the Basic Lease Information. From and after the Rent Commencement Date, Base Rent shall be payable in monthly installments in advance of or on the first day of each and every calendar month during the term of this Lease. Additional Rent shall consist of all other sums of money as shall become due from and payable by Tenant to Landlord hereunder. All Rent shall be paid in lawful money of the United States of America to Landlord at its office or such other place, as Landlord shall designate by notice to Tenant. Tenant shall pay the Base Rent and Additional Rent promptly when due without notice or demand therefor and without any abatement, deduction or setoff for any reason whatsoever, except as expressly provided in this Lease. Base Rent and Tenant's prorata share of Taxes and Operating Expenses for the first month due shall be paid on execution of this Lease. If the Rent Commencement Date occurs on a day other than the first day of a calendar month, or the Expiration Date occurs on a day other than the last day of a calendar month, the Base Rent for that partial calendar month shall be prorated on a daily basis.

1.5 **Late Charge**. Tenant recognizes that late payment of any Rent from Tenant to Landlord will result in administrative expense to Landlord, the extent of which additional expense

is extremely difficult and economically impractical to ascertain. Tenant therefore agrees that if Rent from Tenant to Landlord remains unpaid ten (10) days after said amount is due, the amount of such unpaid Rent shall be increased by a late charge to be paid to Landlord by Tenant in an amount equal to five percent (5%) of the amount of the delinquent Rent or other payment. Tenant agrees that such amount is a reasonable estimate of the loss and expense to be suffered by Landlord as a result of such late payment by Tenant and may be charged by Landlord to defray such loss and expense. The provisions of this Section in no way relieve Tenant of the obligation to pay Rent on or before the date on which it is due, nor do the terms of this Section in any way affect Landlord's remedies pursuant to Section 21 of this Lease in the event Rent is past due.

1.6 **Confidentiality**. Tenant acknowledges that Landlord is providing these lease terms and other accommodations to Tenant in recognition of Tenant's reputation and established business history. Tenant shall keep the Rent and other terms of this Lease confidential from other current and prospective occupants of the Center and any other projects owned by Landlord except to the extent disclosure is reasonably necessary in the internal management of Tenant's business or required by law or order by an authority having jurisdiction over the matter.

SECTION 2. USE

2.1 Generally.

2.1.1 **Use of Premises**. Commencing on the Commencement Date, Tenant shall use and occupy the Premises continuously during the term of this Lease. The Premises shall be continuously used for the use specified in the Basic Lease Information and for no other purpose.

2.1.2 **Restricted Uses**. Without implying any use right of Tenant other than the use described in Section 9 of the Basic Lease Information, in no event shall Tenant use the Premises for any use listed on <u>Exhibit F</u>.

2.1.3 Legal Requirements. If any governmental license or permit, other than a Certificate of Occupancy, shall be required for the proper and lawful conduct of Tenant's business in the Premises or any part thereof, Tenant, at its expense, shall duly procure and thereafter maintain such license or permit and submit the same to Landlord for inspection. Tenant shall at all times comply with the terms and conditions of each such license or permit. Tenant shall not do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other tenants or occupants of the Building and/or Center or injure or annoy them, nor use or allow the Premises to be used for any improper, immoral, unlawful or objectionable purpose, nor shall Tenant cause or maintain or permit any nuisance in, on, or about the Premises. Tenant shall not commit or allow the commission of any waste in, on, or about the Premises. Tenant shall not use the Premises or permit anything to be done in or about the Premises which will in any way conflict with any Legal Requirements. Tenant shall not do or permit anything to be done on or about the Premises or bring or keep anything therein which will in any way increase the rate of any insurance upon the Building and/or Center in which the Premises are situated or any of its contents or cause a cancellation of said insurance or otherwise affect said insurance in any manner. Tenant shall, at its sole cost and expense, promptly comply with all Legal Requirements and with the requirements of any board of fire underwriters or other similar body now or hereafter constituted relating to or affecting the condition, use, or occupancy of the

Premises, excluding structural changes not related to or affected by: (i) alterations or improvements made by or for Tenant; or (ii) Tenant's acts. The judgment of any court of competent jurisdiction or the admission of Tenant in an action against Tenant, whether Landlord be a party thereto or not, that Tenant has so violated any such Legal Requirements, shall be conclusive of such violation as between Landlord and Tenant. Tenant shall use its best efforts to prevent any violation of applicable Legal Requirements by its partners, directors, officers, agents and employees.

2.1.4 **Unfair Practices**. Without limiting the provisions of this Section 2, Tenant shall not engage in any of the following practices or conduct: (i) the manufacture or sale of counterfeit mark(s), (ii) the sale of goods falsely using the name of another manufacturer or producer, (iii) unfair or deceptive business practices, or (iv) unfair competition.

2.2 ADA Law Compliance. Landlord and Tenant acknowledge that the provisions of the Americans with Disabilities Act (the "ADA") allow allocation of responsibility for compliance with the terms and conditions of the ADA in the Lease. Landlord and Tenant agree that the responsibility for compliance with the ADA shall be allocated as set forth in this Section. Tenant shall be responsible for compliance with the applicable provisions of the ADA with respect to all improvements within the Premises. Landlord shall be responsible for compliance with the provisions of title III of the ADA with respect to the exterior of the Building and exterior areas of the Center including parking areas, sidewalks and walkways, and the like, together with all common areas of the Center. Neither Landlord nor Tenant shall be obligated to supervise, monitor, or otherwise review the compliance activities of the other. Tenant acknowledges that the expense of Landlord's fulfillment of its ADA obligations is an element of Operating Expenses as such term is defined in the Lease. Any such ADA expense for capital improvements shall be amortized over the useful life of the same for purposes of Operating Expenses in the same manner as provided in the Lease for capital improvements. References in this Lease to Legal Requirements shall be deemed to refer to the ADA among other laws.

Environmental Law Compliance. For purposes of this Section the term 2.3 "Hazardous Substances" shall mean and include all hazardous and toxic substances, waste or materials, any pollutant or contaminant, including, without limitation, PCBs, asbestos, asbestoscontaining material, and raw materials that are included under or regulated by any Environmental Laws. For purposes of this Lease the term "Environmental Laws" shall mean and include all federal, state and local statutes, ordinances, regulations and rules presently in force or hereafter enacted relating to environmental quality, contamination, and clean-up of Hazardous Substances, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §6091 et seq., as amended by the Superfund Amendments and Reauthorization Act of 1986, the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §6091 et seq., as amended by the Hazardous and Solid Waste Amendments of 1984, and state superlien and environmental clean-up statutes and all rules and regulations presently or hereafter promulgated under said statutes as amended. References in this Lease to Legal Requirements shall be deemed to refer to Environmental Laws among other laws. Tenant acknowledges that the expense of compliance with Environmental Laws is an element of Operating Expenses except to the extent that any such expense resulted from the fault of the Landlord. Landlord shall use reasonable efforts to recover any expense of compliance with Environmental Laws from any third party who is liable for the same and credit any such recovery against Operating Expenses. If any lender or governmental agency shall ever require testing to ascertain whether or not there has been any release of Hazardous Substances within the Premises, then the reasonable costs thereof shall be reimbursed by Tenant to Landlord upon demand as additional charges. In addition, Tenant shall execute affidavits, representations and the like from time to time at Landlord's request concerning Tenant's best knowledge and belief regarding the presence of Hazardous Substances on the Premises. In all events, Tenant shall indemnify Landlord in the manner elsewhere provided in this Lease from any release of Hazardous Substances on the Premises occurring while Tenant is in possession, or elsewhere if caused by Tenant or persons acting under Tenant. The within covenants shall survive the expiration or earlier termination of the Lease term.

2.4 **Indemnity Regarding Legal Violations**. <u>Subject to the limitations and conditions</u> of the Oregon Constitution and the Oregon Tort Claims Act (ORS 30.260 to 30.300), including (without limitation) specifically subject to and within the financial limits and conditions set forth at ORS 30.272 for local public bodies and at ORS 30.273 for public bodies.</u> Tenant shall indemnify and hold harmless Landlord and all Superior Lessors and/or Superior Mortgagees and its and their respective partners, directors, officers, agents and employees for, regarding, from and against any and all claims arising from or in connection with the violation of Legal Requirements including but not limited to the ADA or Environmental Laws, occurring in, at or about the Center due to the acts or omissions of Tenant or its partners, directors, officers, agents and employees; together with all costs, expenses and liabilities incurred or in connection with each such claim, action, proceeding or appeal, including, without limitation, all attorneys' fees and expenses.

SECTION 3. TENANT'S ACCEPTANCE AND MAINTENANCE OF PREMISES; DELIVERY OF POSSESSION

Landlord will deliver possession of the Premises, with Landlord's Work substantially complete and otherwise in "AS IS" condition. By taking possession of the Premises, Tenant accepts the Premises as being in the condition in which Landlord is obligated to deliver them and otherwise in good order, condition and repair. Tenant shall, at all times during the term hereof at Tenant's sole cost and expense, keep the Premises in good order, condition and repair including: Premises floors, walls, ceiling, paint, cabinetry and casework; plumbing lines serving the Premises to the point of connection with the Building's main line; interior utility system fixtures and equipment exclusively serving the Premises; all fire/life/safety equipment and systems exclusively serving the Premises; Premises storefront, signage, and all utilities; all of Tenant's Property; any and all Tenant improvements and alterations to the Premises; heating, ventilation and air conditioning equipment exclusively serving the Premises; and Premises windows, glass and doors. Tenant shall also provide quarterly maintenance to the HVAC system exclusively serving the Premises (if any) and provide reports to Landlord on a quarterly basis. Tenant shall supply all janitorial and maintenance service required to maintain the Premises in a first class condition, including (without limitation) daily janitorial service, periodic carpet shampooing and tile cleaning, interior and exterior window cleaning, trash removal and light bulb, tube and ballast replacements. The contractors engaged to perform janitorial and maintenance service shall carry public liability insurance and workers compensation insurance on their employees. Tenant shall repair and restore, or at Landlord's election reimburse Landlord's cost to repair and restore, any damage to other elements of the Building or the Center caused by Tenant. Upon the expiration or sooner termination of the lease term, except as Landlord demands otherwise pursuant to Section 12.1 or Section 13.1, Tenant shall surrender to Landlord the Premises and all repairs, changes,

alterations, additions, and improvements thereto (except Tenant's Property as defined in Section 13.2) in the same condition as when received, or when first installed subject to ordinary wear and tear. Landlord shall have no obligation to alter, remove, improve, repair, decorate, or paint the Premises or any part thereof. No representations respecting the condition of the Premises, the Building or the Center have been made by Landlord to Tenant, except as set forth in this Lease.

SECTION 4. OPERATING EXPENSES, TAXES

4.1 Operating Expenses. For the purposes of this Lease, the term "Operating Expenses" shall mean all expenses paid or incurred by Landlord (or on Landlord's behalf) as reasonably determined by Landlord to be necessary or appropriate for the efficient operation, maintenance and repair of the Land and/or Building, including the common areas of the Building and Center, including without limitation: (i) salaries, wages, employer's social security taxes, unemployment taxes or insurance and other taxes which are levied on wages and salaries, medical, surgical, union and general welfare benefits (including, without limitation, disability and group life insurance) and pension payments of employees of Landlord engaged in the repair, operation and maintenance of the Land, Building and/or Center; (ii) payroll taxes, workers' compensation insurance, uniforms and related expenses for employees; (iii) the cost of all charges for gas, steam, electricity, heat, ventilation, air conditioning, water and other utilities furnished to the common areas of the Building and/or Center (or, if any of these utilities provided to Premises is not separately paid by Tenant, then all costs of such utility being furnished to the Building as a whole), together with any taxes on such utilities; (iv) the cost of painting of public areas; (v) the cost of all charges of insurance, including rent loss insurance, casualty, liability, fire with extended coverage endorsement and fidelity insurance, with regard to the Land, Building and/or Center and the maintenance and/or operation thereof; (vi) the cost or rental of all supplies, including without limitation, cleaning supplies, light bulbs, tubes and ballasts, materials and equipment, and sales and other taxes thereon; (vii) the cost of hand tools and other movable equipment used in the repair, maintenance or operation of the Building and/or Center amortized over the useful life of such hand tools and movable equipment (as reasonably estimated by Landlord); (viii) the cost of all charges for window and other cleaning and janitorial and security services; (ix) charges of independent contractors performing repairs or services to the Land, Building and/or Center including water treatment, vermin extermination, facade maintenance, roof maintenance, life safety and fire alarm equipment and other costs for necessary services; (x) non capital repairs, replacements and general maintenance; (xi) remodeling of the public and common areas of the Building and/or Center including, without limitation, repainting, replacement and repair of furnishings, fixtures, accessories, carpeting or other floor covering, wall and window coverings in the public and common areas, the cost of which shall be amortized (with interest at the rate of nine percent (9%) per annum on the unamortized balance) over the useful life of the improvements as reasonably estimated by Landlord; (xii) alterations and improvements to the Building and/or Center made by reason of the laws and requirements of any public authorities or the requirements of insurance bodies; (xiii) management fees paid to a third party, or, if no managing agent is employed by Landlord, Landlord shall be entitled to charge a management fee which is not in excess of four percent (4%) of base rent and such fee shall be included in the Operating Expenses; (xiv) the cost of any capital improvements or repairs to the Building, Center and/or of any machinery or equipment installed in the Building and/or Center amortized (with interest at the rate of nine percent (9%) per annum on the unamortized balance) over the useful life of the improvement, machinery and/or equipment as reasonably estimated by Landlord; (xv) legal, accounting and other

professional fees incurred in connection with operation, maintenance and management of the Land, Building and/or Center; (xvi) the cost of providing elevator service and trash removal; (xvii) the cost of landscape and parking area maintenance and repair; and (xviii) all other charges properly allocable to the operation, repair and maintenance of the Building and/or Center.

4.2 **Exclusions from Operating Expenses**. Operating Expenses shall not include: (i) depreciation or amortization (except as provided above in Section 4.1); (ii) interest on and amortization of debts (except as provided above in Section 4.1); (iii) leasehold improvements made for new tenants of the Center; (iv) leasing commissions, attorneys' fees, costs and disbursements and other expenses (including advertising) incurred in connection with leasing, renovating, or improving space for tenants or other occupants or prospective tenants or occupants of the Center; (v) refinancing costs; (vi) the cost of any work or services performed for any tenant(s) of the Center (including Tenant), whether at the expense of Landlord or such tenant(s), to the extent that such work or services is in excess of the work or services which Landlord, at its expense, is required to furnish to Tenant under this Lease with Tenant; (vii) damages recoverable by any tenant due to violation by Landlord of any of the terms and conditions of this Lease or any other lease relating to the Center; and (viii) repairs occasioned by fire, windstorm or other casualty, to the extent such repairs are paid for by insurance proceeds.

4.3 **Taxes**. The term "Taxes" shall include (i) all real property taxes and assessments and personal property taxes, charges, rates, duties and assessments rated, levied or imposed by any governmental authority with respect to the Land, the Building and any improvements, fixtures and equipment located therein or thereon, and with respect to all other property of Landlord, real or personal, located in or on the Land or the Building and used in connection with the operation of the Building; (ii) any tax in lieu of a real property tax; (iii) any tax or excise levied or assessed by any governmental authority on the rentals payable under this Lease or rentals accruing from the use of the Land or the Building; provided that this shall not include federal or state, corporate or personal income taxes; (iv) any tax or excise imposed or assessed against Landlord which is measured or based in whole or in part on the capital employed by Landlord to improve the Land and construct the Building; and (v) any city, county or state business property management license fee.

Tenant, at its sole cost and expense, may apply for, and is solely responsible for applying for, exemption from Real Property Taxes and personal property taxes as provided by law. At Tenant's request, Landlord will provide information reasonably required for Tenant to apply for such exemption. Any exemption granted as a result of any such application shall accrue for the sole benefit of Tenant, such that the total compensation paid by Tenant under this Lease has been established to reflect the savings of below market rent resulting from the exemption from taxation.

SECTION 5. PAYMENT OF TAXES AND OPERATING EXPENSES

5.1 **Operating Year**. As used in this Section 5, the term "Operating Year" shall mean each calendar year of the Lease Term and in the event this Lease begins or ends on any date other than the first day of the calendar year, the calculations, costs and payments referred to herein shall be prorated as provided in Section 31.11.

5.2 Tenant's Pro Rata Share. Commencing on the Commencement Date, Tenant shall pay, as Additional Rent, its pro rata share of the Taxes and Operating Expenses. Tenant's pro rata share of the Taxes and Operating Expenses of the Building and Center for each Operating Year shall be equal to the actual Taxes and Operating Expenses for each Operating Year multiplied by Tenant's Percentage (as specified in the Basic Lease Information, and as adjusted as provided herein) unless Landlord has a reasonable basis to use a different share for any particular cost (such as to reflect the tax exempt status of a lessee or separate metering). The term "Tenant's Percentage" shall mean a percentage, the numerator of which is the number of rentable square feet in the Premises and the denominator of which is the total number of rentable square feet of the commercial portion of the Building or the Center, as applicable, whether or not such space is actually rented. The Tenant's Percentage (as specified in the Basic Lease Information, and adjusted as provided herein) shall be changed from time to time to reflect any change in the total rentable square footage in the commercial portion of the Building or Center. During the periods when the Building or Center is not fully occupied, Landlord shall reasonably adjust Operating Expenses to reflect the costs that would normally have been incurred had the Building or Center (as applicable) been fully occupied for the entire period and the Building or Center had been fully assessed for property tax purposes. The Building or Center, as applicable, shall be considered fully occupied when occupancy reaches ninety-five percent (95%).

5.2.1 Allocations. Unless Landlord otherwise elects pursuant to this Section 5.2.1, Tenant shall pay each Operating Expense in accordance with Tenant's Percentage. Landlord may allocate Operating Expenses among all buildings in the Project, or may allocate certain Operating Expenses between or among a lesser number of buildings to which such Operating Expenses apply. Landlord shall have the right to make allocations ("Allocations") to Tenant of any one or more Operating Expenses on a different basis if Landlord has a reasonable basis to do so (for example, to reflect separate metering, different usage of spaces, such as office versus retail use, the tax exempt status of a lessee, or disproportionate use or benefit by one or more lessees) and to allocate one or more Operating Expenses among fewer than all lessees of the Building or Center. For example, if Landlord deems it reasonable to do so, Landlord shall have the right to elect at any time and from time to time (a) to make Allocations of certain Operating Expense items among fewer than all lessees of the Building and/or Center and/or other than based upon the respective square footages of the lessees, (b) to make different Allocations for different Operating Expenses, and/or (c) to alter an Allocation or the method of determining an Allocation from time to time. Landlord has the right to allocate some or all Operating Expenses based on the ratio of the rentable square footage of the Premises divided by the rentable square footage of the Project and/or to and include in Operating Expenses for the Building a portion of Operating Expenses common to the Center, provided that such Allocation does not result in duplication of any Operating Expense.

5.3 Written Statement of Estimate. Prior to the commencement of each Operating Year during the Lease Term, Landlord shall furnish Tenant with a written statement setting forth Tenant's pro rata share of the estimated Taxes and Operating Expenses for the next Operating Year. Tenant shall pay to Landlord as Additional Rent commencing on January 1 of the Operating Year, and thereafter on the first day of each calendar month, an amount equal to one twelfth of the amount of Tenant's pro rata share as shown in Landlord's written statement. In the event Landlord delivers the written statement late, Tenant shall continue to pay to Landlord an amount equal to one twelfth of Tenant's pro rata share of the estimated Taxes and Operating Expenses for the

immediately preceding Operating Year until Landlord does furnish the written statement, at which time Tenant shall pay the amount of any excess of the Tenant's pro rata share for the expired portion of the current Operating Year over the Tenant's actual payments during such time and any excess payments by Tenant shall be credited to the next due payment of Rent from Tenant. The late delivery of any written statement by Landlord shall not constitute a waiver of Tenant's obligation to pay its pro rata share of Taxes and Operating Expenses nor subject the Landlord to any liability, but Landlord shall use reasonable efforts to deliver such written statements of estimated increase in Taxes and Operating Expenses as soon as reasonably possible after the commencement of each Operating Year.

5.4 Final Written Statement. Within 120 days after the close of each Operating Year during the Lease term, Landlord shall deliver to Tenant a written statement (the "Operating Statement") setting forth Tenant's actual pro rata share of the Taxes and Operating Expenses for the preceding Operating Year, and certified by Landlord as fairly stating the Taxes and Operating Expenses for the Building and Center. In the event Tenant's pro rata share of the actual Taxes and Operating Expenses is in excess of the Tenant's pro rata share of estimated Taxes and Operating Expenses, Tenant shall pay the amount of such excess to Landlord as Additional Rent within thirty (30) days after receipt of such statement by Tenant. In the event Tenant's pro rata share of the actual Taxes and Operating Expenses is less than the Tenant's pro rata share of the estimated Taxes and Operating Expenses actually paid by Tenant, then the amount of the excess overpayment shall be paid by Landlord to Tenant within thirty (30) days following the date of such statement or Landlord may elect to apply the overpayment to Tenant's next Rent payment, reimbursing only the excess over such next payment, if any. The late delivery of any written statement by Landlord shall not constitute a waiver of Tenant's obligation to pay its pro rata share of Taxes and Operating Expenses, but Landlord shall use reasonable efforts to deliver such written statements as soon as reasonably possible after the commencement of each Operating Year.

5.5 **Tenant Examination**. The Operating Statement referred to herein need not be audited but shall contain sufficient detail to enable Tenant to verify the calculation of its pro rata share. In addition, Tenant, upon at least five (5) days advance written notice to Landlord given within twenty (20) days of receipt of an Operating Statement and during business hours, may examine and audit any invoices, receipts, canceled checks, vouchers or other instruments used to support the figures shown on the Operating Statement, provided, however, that Tenant shall only be entitled to such an examination and audit once in each Operating Year.

5.6 **Disputes**. Each such Operating Statement given by Landlord pursuant to this Section shall be conclusive and binding upon Tenant unless within thirty (30) days after the receipt of such Operating Statement Tenant shall notify Landlord that it disputes the correctness of the Operating Statement, specifying the particular respects in which the Operating Statement is claimed to be incorrect. If such disputes shall not have been settled by agreement, either party, within thirty (30) days after receipt of such Operating Statement, may pursue its available legal remedies, but Tenant hereby agrees that a dispute over the Operating Statement or any error by Landlord in interpreting or applying Section 4 or in calculating the amounts in the Operating Statement shall not be a breach of this Lease by Landlord, and even if any legal proceeding over the Operating Statement is resolved against Landlord this Lease shall remain in full force and effect and Landlord shall not be liable for any consequential damages, and pending the determination of such dispute, Tenant, within ten (10) days of receipt of such Operating Statement,

shall pay Additional Rent in accordance with the Operating Statement, without prejudice to Tenant's position. If the dispute shall be determined in Tenant's favor, Landlord shall forthwith pay to Tenant the amount of Tenant's overpayment of rents resulting from compliance with the Operating Statement.

5.7 **Payment**. If an Operating Year ends after the expiration or termination of this Lease, the Additional Rent in respect thereof payable under this Section shall be paid by Tenant within ten (10) days of its receipt of the Operating Statement for such Operating Year.

5.8 **Limit on Recovery**. Landlord will not collect Taxes and Operating Expenses from all of its tenants in the Center in an amount which is in excess of one hundred percent (100%) of the Taxes and Operating Expenses actually paid or incurred by Landlord in connection with the operation of the Center; however, Landlord may allocate Taxes and Operating Expenses on the accrual method to fairly reflect the operation of the Building and/or Center, including without limitation treating Taxes as being incurred and paid in equal monthly installments notwithstanding that Landlord may pay Taxes annually or in multiple installments. Taxes will be figured on the full amount of the levy without reduction for any discount that is available to Landlord for paying in full instead of in installments.

SECTION 6. SECURITY DEPOSIT AND REPORTING

Intentionally omitted.

SECTION 7. SUBORDINATION, NOTICE TO SUPERIOR LESSORS AND MORTGAGEES

7.1Subordination. Any lease to which this Lease is, at the time referred to, subject and subordinate is herein called "Superior Lease" and the lessor of a Superior Lease or its successor in interest, at the time referred to, is herein called "Superior Lessor," and any mortgage to which this Lease is, at the time referred to, subject and subordinate is herein called "Superior Mortgage" and the holder of a Superior Mortgage, or its successor in interest, at the time referred to, is herein called "Superior Mortgagee." This Lease, and all rights of Tenant hereunder, are and shall be subject and subordinate to any ground or master leases covering the Land and/or the Building now or hereafter existing, and to all mortgages which may now or hereafter affect the Land and/or the Building and/or any of such leases, whether or not such mortgages shall also cover other lands and/or buildings and/or leases, to each and every advance made or hereafter to be made under such mortgages, and to all renewals, modifications, replacements and extensions of such leases and such mortgages. This Section shall be self-operative, and no further instrument of subordination shall be required. In confirmation of such subordination, Tenant shall promptly execute, acknowledge or deliver an agreement in the form of Exhibit G or any other instrument that Landlord, any Superior Lessor or any Superior Mortgagee may reasonably request to evidence such subordination (a "Subordination Agreement"). If Tenant fails to execute, acknowledge or deliver any such instruments within ten (10) days after request therefor, Tenant hereby irrevocably constitutes and appoints Landlord as Tenant's attorney-in-fact, coupled with an interest, to execute and deliver any such instruments for and on behalf of Tenant.

7.2 **Notice**. Tenant agrees to give any Superior Mortgagee or Superior Lessor, by registered mail, a copy of any notice of default served upon the Landlord, provided that prior to such notice Tenant has been notified in writing (by way of notice of assignment of rents and leases, or otherwise) of the address of such Superior Mortgagee or Superior Lessor. If Landlord shall have failed to cure such default within thirty (30) days the Superior Mortgagee or Superior Lessor shall have an additional thirty (30) days within which to cure such default or is such default cannot be cured within that time, then such additional time as may be necessary to cure such default (including the time necessary to foreclose or otherwise terminate its Superior Mortgagee or Superior Lessor, if necessary to effect such cure), and this Lease shall not be terminated so long as such remedies are being diligently pursued.

Attornment. For the purposes of this Section, the term "Successor Landlord" shall 7.3 mean the Superior Lessor or Superior Mortgagee if the same succeeds to the rights of Landlord under this Lease, whether through possession or foreclosure action or delivery of a new lease or deed, or any third party that succeeds to the rights of Landlord under this Lease by virtue of having purchased the Land and the Building at a foreclosure sale. At the request of a Successor Landlord and upon such Successor Landlord's written agreement to accept Tenant's attornment, and to not disturb Tenant's quiet possession of the Premises, Tenant shall attorn to and recognize such Successor Landlord as Tenant's Landlord under this Lease and shall promptly execute and deliver an instrument in the form attached as Exhibit G or any other instrument that such Successor Landlord may reasonably request to evidence such attornment. Upon such attornment this Lease shall continue in full force and effect as a direct lease between the Successor Landlord and Tenant upon all of the terms, conditions and covenants as are set forth in this Lease except that the Successor Landlord shall not: (i) be liable for any previous act or omission of Landlord under this Lease; (ii) be subject to any offset, deficiency or defense which theretofore shall have accrued to Tenant against Landlord; (iii) be bound by any previous modification of this Lease or by any previous prepayment of more than one (1) months' Base Rent, unless such modification or prepayment shall have been expressly approved in writing by the Superior Lessor or the Superior Mortgagee through or by reason of which the Successor Landlord shall have succeeded to the right of Landlord under this Lease; (iv) be liable for the commencement or completion of any construction or any contribution toward construction or installation of any improvements upon the Premises required under this Lease, or any expansion or rehabilitation of existing improvements upon the Premises, or for restoration of improvements following any casualty not required to be insured under this Lease or for the costs of any restoration in excess of the proceeds recovered under any insurance required to be carried under this Lease; (v) be liable for the right and claim under this Lease in, to and upon any award or other compensation heretofore or hereafter to be made for any taking by eminent domain of any part of the Premises, and as to the right of disposition thereof, the same shall be in accordance with the provisions of any Superior Lease or Superior Mortgage; (vi) be liable for any right and claim under this Lease in, to and upon any proceeds payable under all policies of fire and rent insurance upon the Premises and as to the right of disposition thereof, the same shall be in accordance with the terms of any Superior Lease or Superior Mortgage; (vii) be liable for any lien, right, power or interest, if any, which may have arisen or intervened in the period between the recording of any Superior Mortgage and the execution of this Lease or any lien or judgment which may arise at any time under the terms of this Lease; or (viii) be liable for the return of any Security Deposit which was not actually transferred to the Successor Landlord.

SECTION 8. QUIET ENJOYMENT

So long as Tenant pays all of the Base Rent and Additional Rent and performs all of Tenant's other obligations hereunder, Tenant shall peaceably and quietly have, hold and enjoy the Premises without hindrance, ejection or molestation by Landlord or any person lawfully claiming through or under Landlord, subject nevertheless, to the provisions of this Lease and to any Superior Lease and/or Superior Mortgage. This covenant shall be construed as a covenant running with the Land, and is not, nor shall it be construed as, a personal covenant of Landlord, except to the extent of Landlord's interest in this Lease and only so long as such interest shall continue, and thereafter this covenant shall be binding only upon subsequent successors in interest of Landlord's interest in this Lease, to the extent of their respective interests, as and when they shall acquire the same, and so long as they shall retain such interest.

SECTION 9. ASSIGNMENT AND SUBLETTING

Generally. Tenant shall not sell, assign, sublet, or otherwise transfer by operation 9.1 of law or otherwise this Lease or any interest herein, or the Premises or any portion thereof, without the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed, nor shall Tenant encumber or permit any lien to be placed on the Tenant's interest in this Lease. In no event will Tenant assign this Lease or sublease all or part of the Premises in violation of Exhibit F or allow any assignee or sublessee to make a use that violates this Lease. Any change in effective control of a corporation, partnership or other artificial entity which is the Tenant shall be deemed a transfer of this Lease. Any transfer hereunder by Tenant shall not result in Tenant being released or discharged from any liability under this Lease. Any sale, assignment, encumbrance, subletting, occupation, lien or other transfer of this Lease which does not comply with this provision shall be, at Landlord's election, void. Any listing on Center directories or other signage using a name other than Tenant's in conjunction with the Premises will not be deemed, nor will it substitute for, Landlord's consent, as required by this Lease, to any sublease, assignment or other occupancy of the Premises.

9.1.1 Tenant shall, by written notice, advise Landlord of its desire from and after a stated date (which shall not be less than thirty (30) days nor more than ninety (90) days after the date of Tenant's notice), to transfer its interest in the Premises or any portion thereof for any part of the term hereof; and such notice by Tenant shall state the name and address of the proposed transferee, and Tenant shall deliver to Landlord a true and complete copy of the proposed transfer instrument with said notice. Tenant hereby agrees to pay to Landlord all attorneys fees and other costs incurred by Landlord related to any proposed transfer, whether Landlord's consent is granted or the transfer consummated.

9.1.2 Following any request by Tenant to assign this Lease or to sublet all or any part of the Premises, Landlord shall have the right to either: (a) permit the transfer on the conditions referred to in Section 9.2 and any other conditions Landlord may impose, or (b) deny Tenant's request, in which event this Lease shall continue in full force and effect and unmodified.

9.2 **Conditions of Landlord's Consent**. As a condition to Landlord's prior written consent as provided for in this Section, Tenant shall deliver to Landlord a fully executed Consent and Assumption Agreement provided by Landlord and an executed copy of each transfer

instrument executed by each transferee. Landlord may require as a condition of granting consent to a transfer that Tenant shall pay to Landlord all profits from the transfer determined by deducting from the total consideration paid directly or indirectly to or for the benefit of Tenant or its designee for the transferred interest, the reasonable costs of the transfer incurred by the Tenant and subtracting the remaining rent obligation of the Tenant at such time under this Lease. For purposes of determining all profits from the transfer, substance shall control over form such that Landlord may ignore any attempt by Tenant to inflate the purchase price of any other assets transferred in an attempt to conceal the profit on the transfer of the Tenant's interest in this Lease. Sums payable hereunder shall be paid to Landlord as and when paid by the transferee to Tenant.

SECTION 10. INSURANCE

10.1 **Waiver of Right of Recovery**. Neither party, nor its officers, directors, employees, agents or invitees, nor, in case of Tenant, its subtenants, shall be liable to the other party or to any insurance company (by way of subrogation or otherwise) insuring the other party for any loss or damage to any building, structure or other tangible property normally covered under a standard policy of insurance for fire, theft and extended coverage, or losses under workers' compensation laws and benefits, even though such loss or damage might have been occasioned by the negligence of such party, its agents or employees; provided, however, that if, by reason of the foregoing waiver, either party shall be unable to obtain any such insurance, such waiver shall be deemed not to have been made by such party and, provided, further, that if either party shall be unable to obtain any such insurance without the payment of an additional premium therefor, then, unless the party claiming the benefit of such waiver shall agree to pay such party for the cost of such additional premium within thirty (30) days after notice setting forth such requirement and the amount of the additional premium, such waiver shall be of no force and effect between such party and such claiming party.

10.2 Commercial General Liability Insurance. Tenant, at its expense, shall maintain at all times during the term of this Lease, commercial general liability insurance in respect of the Premises and the conduct or operation of business therein, with Landlord and its managing agent, if any, and any Superior Lessor or Superior Mortgagee whose name and address shall previously have been furnished to Tenant, as additional insureds, with Two Million and No/100 Dollars (\$2,000,000.00) minimum combined single limit coverage, or its equivalent. If Tenant serves or sells alcohol, such insurance shall include full liquor liability coverage. All such insurance shall insure the performance by Tenant of the indemnity agreement as to liability for injury to, illness of, or death of persons and damage to property set forth in Section 17. Tenant shall also maintain a policy or policies of all risk property, fire, and extended coverage insurance ("causes of loss special form"), including without limitation, coverage of vandalism and malicious mischief, an inflation endorsement, and a sprinkler leakage endorsement, in an amount equal to one hundred percent (100%) of the full insurance replacement value of the Tenant's personal property and alterations, additions and improvements made by or for Tenant in the Premises. Such policy shall include an endorsement deleting the co-insurance provision. Tenant shall deliver to Landlord and any additional insured fully paid policies or certificates of all such insurance, in form satisfactory to Landlord issued by the insurance company or its authorized agent, at least ten (10) days before the Commencement Date. Tenant shall procure and pay for renewals of such insurance from time to time before the expiration thereof, and Tenant shall deliver to Landlord and any additional insured such renewal policy or certificate at least thirty (30) days before the expiration of any existing policy. All such policies shall contain a provision whereby the same cannot be canceled or modified unless Landlord and any additional insured are given at least twenty (20) days prior written notice of such cancellation or modification.

10.3 Acceptable Insurance Companies. All insurance policies required to be carried by Tenant hereunder shall be issued by responsible insurance companies authorized to issue insurance in the state where the Premises are located rated A+VII or higher by Best's Insurance Rating Service.

10.4 **Increase in Coverage**. Landlord may from time to time, but not more frequently than once every three (3) years, require that the amount of commercial general liability insurance to be maintained by Tenant under Section 10.2 be increased so that the amount thereof adequately protects the Landlord's interest based on amounts of coverage required of comparable tenants in comparable buildings.

10.5 **Tenant's Self-Insurance**. Landlord acknowledges and agrees that Tenant is selfinsured for the risks for which insurance is required under this Lease and that, for so long as Tenant remains self-insured, Tenant shall not be required to provide the insurance otherwise required by this Section 10. For purposes of the blanket additional insured provision in Tenant's follow form excess liability insurance policy, Landlord and its members, officers, directors, and employees are hereby required to be, and shall be deemed, to be additional insureds.

SECTION 11. RULES AND REGULATIONS

Tenant shall faithfully observe and comply with the rules and regulations printed on or annexed to this Lease as <u>Exhibit H</u> and all reasonable modifications thereof and additions thereto from time to time established by Landlord by written notice to Tenant. Landlord shall not be responsible for the nonperformance by any other lessee or occupant of the Building and/or Center of any said rules and regulations but Landlord shall use reasonable efforts to remedy any violation of the rules and regulations applicable to any other Building and/or Center occupant that materially adversely affects Tenant's use of the Premises following Tenant's request.

SECTION 12. ALTERATIONS

12.1 **Requirements**. Tenant shall not make or suffer to be made any alterations, additions, or improvements in, on, or to the Premises or any part thereof without the prior written consent of Landlord. Any such alterations, additions, or improvements in, on, or to said Premises, except for Tenant's movable furniture and equipment, shall immediately become Landlord's property and, at the end of the term hereof, shall remain on the Premises without compensation to Tenant. In the event Landlord consents to the making of any such alterations, additions, or improvements by Tenant, the same shall be made by Tenant, at Tenant's sole cost and expense, in accordance with plans and specifications approved by Landlord, and any contractor or person selected by Tenant to make the same must first be approved in writing by Landlord. If the alterations, additions or improvements shall be made by Landlord for Tenant's account, Tenant shall reimburse Landlord for the cost thereof within twenty (20) days after receipt of a statement, setting forth the actual cost of such alterations, additions or improvements. In any event Tenant shall pay Landlord an administrative charge of fifteen percent (15%) of the actual cost of such

alterations, additions or improvements. After the expiration or sooner termination of the Lease Term and upon demand by Landlord, Tenant shall remove any or all alterations, additions, or improvements made by or for the account of Tenant, designated by Landlord to be removed and all cabling installed by Tenant, and Tenant shall repair and restore the Premises to their original condition, subject to ordinary wear and tear. Such removal, repair and restoration work shall be done promptly and with all due diligence at Tenant's sole cost and expense.

The following provisions apply to all alterations.

(a) Tenant shall obtain all required permits and deliver a copy of the same to Landlord. Tenant shall install all alterations in strict compliance with all permits, any plans approved by Landlord, all conditions to Landlord's approval, and all legal requirements.

(b) If reasonably requested by Landlord, Tenant shall deliver to Landlord, within ten (10) days following installation of each alteration, (w) accurate, reproducible as-built plans, (x) proof of final inspection and approval by all governmental authorities, (y) complete lien waivers for all costs of the alteration, and (z) a copy of a recorded notice of completion.

(c) Tenant shall cause all contractors, suppliers and others doing work in the Building for Tenant to obtain a copy of Landlord's then current rules and procedures for such work and to comply with such rules and procedures. Tenant acknowledges that such rules and procedures include restrictions on lobby and elevator use, restrictions on the days and hours when certain work is allowed, and other restrictions which will affect the conduct of such work.

(d) Landlord reserves the right to require that certain types of work at the Center (including, for example, any work affecting the electrical or mechanical systems of the Building) be subcontracted to subcontractors designated by Landlord. No such designation shall create any liability on the part of Landlord.

(e) Tenant shall pay all costs of alterations as and when due. Tenant shall not allow any lien to be filed.

(f) Tenant shall be solely responsible to maintain and to insure all alterations and to restore the same following any casualty.

12.2 **Indemnification of Landlord**. Tenant, at its expense, and with diligence and dispatch, shall procure the cancellation or discharge of all notices of violation arising from or otherwise connected with alterations, or any other work, labor, services or materials done for or supplied to Tenant, or any other person claiming through or under Tenant, which shall be issued by any public authority having or asserting jurisdiction. Subject to the limitations and conditions of the Oregon Constitution and the Oregon Tort Claims Act (ORS 30.260 to 30.300), including (without limitation) specifically subject to and within the financial limits and conditions set forth at ORS 30.272 for local public bodies and at ORS 30.273 for public bodies, Tenant shall defend, indemnify and save harmless Landlord and any Superior Lessor or Superior Mortgagee from and against any and all mechanics' and other liens and encumbrances filed in connection with alterations, or any other work, labor, services or materials done for or supplied to Tenant, or any person claiming through or under Tenant, including, without limitation, security interests in any

materials, fixtures or articles so installed in and constituting part of the Premises and against all costs, expenses and liabilities incurred in connection with any such lien or encumbrance or any action or proceeding brought thereon. Tenant, at its expense, shall procure the satisfaction or discharge of record of all such liens and encumbrances within fifteen (15) days after the filing thereof. Nothing herein contained shall prevent Tenant from contesting, in good faith and at its own expense, any notice of violation, or lien provided Tenant posts for the protection of Landlord security acceptable to Landlord.

SECTION 13. LANDLORD'S AND TENANT'S PROPERTY

13.1 **Landlord's Property**. All fixtures, carpeting, equipment, improvements and appurtenances attached to or built into the Premises at the commencement of or during the term of this Lease, whether or not by or at the expense of Tenant, shall be and remain a part of the Premises, shall be deemed the property of Landlord and shall not be removed by Tenant, except as provided in Section 13.2; provided, that at Landlord's written request, Tenant shall, at its sole expense and upon termination of the Lease, remove those items specified by Landlord. Tenant's covenant to remove property specified by Landlord shall survive the termination of this Lease.

13.2 **Tenant's Property**. All safes, low voltage cabling, unattached business and trade equipment, business and trade fixtures, machinery and equipment (including but not limited to Tenant's security and access equipment), communications equipment and other equipment and all furniture, furnishings (excluding window coverings) and other articles of movable personal property owned by Tenant and located in or about the Premises (herein collectively called "Tenant's Property") shall be and remain the property of Tenant and shall be removed by Tenant before the expiration or termination of this Lease or Tenant's right of possession; provided, Tenant shall repair or pay the cost of repairing any damage to the Premises or to the Center resulting from the installation and/or removal thereof. Without limiting the generality of the foregoing, Tenant shall remove all low voltage cabling back to the DMARC room.

13.3 **Abandonment**. Any items of Tenant's Property which shall remain in the Premises after the expiration date of this Lease, or after a period of fifteen (15) days following an earlier termination date, at the option of Landlord, may be deemed to have been abandoned, and in such case such items may be retained by Landlord, without accountability, in such manner as Landlord shall determine at Tenant's expense.

SECTION 14. SERVICES AND UTILITIES

14.1 **Maintenance by Landlord**. Except for Tenant's maintenance responsibilities set forth above in Section 3, Landlord shall maintain the Center, including the public and common areas of the Building and/or Center, in reasonably good order and condition except for damage occasioned by the act of the Tenant, which damage shall be repaired by Landlord at Tenant's expense.

14.2 **Utilities; Janitorial Service**. Tenant shall arrange and pay when due all charges for water, sewer, electricity, gas, telephone service and other utilities and services supplied to the Premises ("Utility Charges"). If any such utilities are not separately metered or assessed, then in addition to Tenant's payment of separately metered charges, Tenant shall pay to Landlord Tenant's

pro rata share of the charges for non-separately metered utilities, which shall be calculated and/or allocated by Landlord in the manner described in Section 5. At any time, Landlord may, at Landlord's option, install or require Tenant to install submeters. If Landlord does so, Tenant shall pay to Landlord the submetered Utility Charges on the first day of each calendar month provided such Utility Charges shall not exceed the rates Tenant would be charged if billed directly for the same services by the utility company. Tenant shall supply its own janitorial service and trash removal service, at Tenant's expense. Trash shall be stored and picked up in a manner and at times consistent with the operation of a retail center.

14.3 **Excess Usage**. Tenant shall pay the actual cost of metered electricity each month as and when due. If Tenant uses excessive amounts of non metered utilities or services of any kind because of operation outside of normal Building hours, high demands from machinery and equipment, nonstandard lighting, or any other cause, Landlord may impose a reasonable charge for supplying such extra utilities services, which charge shall be payable monthly by Tenant in conjunction with Rent payments. In the case of excess electricity usage, Landlord will charge Tenant at Landlord's actual cost, without markup. Landlord may install in the Premises a special meter to measure the amount of water, electric current or other resource consumed for any such other use. In case of dispute over any extra charge under this paragraph, Landlord shall designate a qualified independent engineer whose decision shall be conclusive on both parties. The party not prevailing in such dispute shall pay the cost of such engineer's determination.

14.4 **Disclaimer**. Landlord shall not be in default hereunder or be liable for any damages directly or indirectly resulting from, or by reason of (i) the installation, use or interruption of use of any equipment in connection with the furnishing of the foregoing utilities and services, (ii) failure to furnish or delay in furnishing any such utilities or services when such failure or delay is caused by acts of God or the elements, labor disturbances of any character, any other accidents or other conditions beyond the reasonable control of Landlord, or by the making of repairs or improvements to the Premises or the Center, or (iii) the limitation, curtailment, rationing or restriction on use of water or electricity, gas or any other form of energy or any other service or utility whatsoever serving the Premises or the Center. Furthermore, Landlord shall be entitled to cooperate voluntarily in a reasonable manner with the efforts of national, state or local governmental agencies or utilities suppliers in reducing energy or other resource consumption.

14.5 Use of Common Areas and Facilities. All common facilities and areas furnished by Landlord in or near the Building and/or Center, including parking areas, lighting facilities, pedestrian sidewalks and ramps, landscaped areas, exterior stairways, rest rooms and other areas and improvements provided by Landlord for the general use, in common, of tenants, their officers, agents, employees and customers shall at all times be subject to the exclusive control and management of Landlord. Without limiting the scope of such discretion, Landlord shall have the full right and authority to employ all personnel and to establish, modify and enforce reasonable rules and regulations necessary for the proper operation and maintenance of common areas and facilities. Landlord shall have the right to close all or any portion of the common areas or facilities to such extent as, in the opinion of Landlord's legal counsel, may be legally sufficient to prevent a dedication thereof or the accrual of any rights to any person (other than Tenant) or the public therein; and to do and perform such other acts in and to said areas and improvements as the Landlord shall reasonably determine to be advisable. All common areas and facilities not within the Premises, which Tenant may be permitted to use and occupy, are to be used and occupied under a revocable license, and if the amount of such areas be diminished, Landlord shall not be subject to any liability nor shall Tenant be entitled to any compensation or diminution or abatement of Rent, nor shall such diminution of such areas be deemed constructive or actual eviction.

14.6 Signage.

14.6.1 Tenant shall be permitted to install Building standard signage for the Premises. All signs will be in compliance with applicable law and Landlord's standard sign criteria as in effect from time to time. Tenant's signs shall be subject to Landlord's prior written approval which shall not be withheld unless Landlord determines that the proposed signage is inconsistent with the criteria or with the character of the Center. All signage material and installation will be at Tenant's sole cost and expense. At its cost, Tenant shall remove all of its signage and restore all affected surfaces at the end of this Lease. Tenant shall not place or suffer to be placed on the exterior walls of the Premises, or any exterior door or wall, or on any exterior or interior window, any other sign or any awning, canopy, marquee, advertising matter, decoration, picture, letter or other thing of any kind without the prior written consent of Landlord. If Tenant shall install any sign or other such item without Landlord's consent and/or in violation of the foregoing, Landlord shall have the right and authority without liability to Tenant to enter upon the Premises, remove and store the subject sign and repair at Tenant's cost all damage caused by the removal of the sign.

14.6.2 Tenant shall have the right, at its sole cost and expense, to erect and maintain within the interior of the Premises signs and advertising matter customary or appropriate in the conduct of Tenant's business that comply with all laws and are first approved in writing by Landlord; provided, however, that Tenant shall upon demand of Landlord immediately remove any sign, advertisement, decoration, lettering or notice which Tenant has placed or permitted to be placed in, upon or about the Premises and that Landlord reasonably deems objectionable or offensive, and if Tenant fails or refuses to so do, Landlord may enter upon the Premises and remove the same at Tenant's cost and expense. In this connection, Tenant acknowledges that the Premises are a part of an integrated business environment, and that control of all signs by Landlord is essential to the maintenance of uniformity, propriety and the aesthetic values in or pertaining to the Center.

14.6.3 Tenant may not display or sell merchandise or allow carts or other similar devices to be stored or to remain outside the defined demising walls and permanent doorways of the Premises. Tenant shall not install any exterior lighting, amplifiers, or similar devices or use in or about the Premises such items as flashing lights, searchlights, loudspeakers, phonographs or radio broadcasts, nor make, or allow to be made, any odor or excessive noise in or around the Premises. No advertisement or sound of advertising shall be permitted to be heard outside of the Premises.

14.7 **Security**. Landlord has no duty to provide security for any portion of the Building and/or Center. To the extent Landlord elects to provide any security, Landlord is not warranting the effectiveness of any security personnel, services, procedures or equipment and Tenant shall not rely on any such personnel, services, procedures or equipment. Landlord shall not be liable for failure of any such security personnel, services, procedures or equipment to prevent or control, or to apprehend anyone suspected of, personal injury or property damage in, on or around the

Building and/or Center. Tenant shall be allowed to install at the Premises, at Tenant's discretion and expense, its standard security and secured access measures.

14.8 **EVCS**. Tenant hereby waives any and all rights to install or to require Landlord to make available any electric vehicle charging station(s), whether such rights are granted by or under any present or future law, including, without limitation, ORS Chapter 386 (Oregon Laws 2017).

SECTION 15. ACCESS AND NAME

Landlord reserves and shall at all times have the right to enter the Premises upon 24 hours' prior notice to Tenant (except in an emergency) to inspect the same, to perform any of its duties or exercise any rights hereunder, to show said Premises to prospective purchasers, mortgagees or tenants, to post notices of nonresponsibility, and to alter, improve or repair any portion of the Building and/or Center, without abatement of Rent. Landlord may for such purpose erect, use and maintain scaffolding, pipes, conduits and other necessary structures in and through the Premises where reasonably required by the character of the work to be performed, provided that entrance to the Premises shall not be blocked thereby, and further provided that the business of Tenant shall not be interfered with unreasonably. Tenant hereby waives any claim for damages for any inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the Premises. For each of the purposes stated in this Section, Landlord shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Premises, excluding Tenant's vaults and safes or special security areas (designated in advance). Landlord shall have the right to use any and all means which Landlord may deem necessary or proper to open all doors in an emergency, in order to obtain entry to any portion of the Premises, and any entry to any portion of the Premises obtained by Landlord by any such means, or otherwise shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an eviction, actual or constructive, of Tenant from all or part of the Premises. Landlord shall also have the right at any time, without the same constituting an actual or constructive eviction and without incurring any liability to Tenant, to change the arrangement and/or location of entrances or passageways, doors and doorways, corridors, stairs, toilets or other public parts of the Building and/or Center and to change the name, number or designation by which the Building and/or Center are commonly known.

SECTION 16. NOTICE OF OCCURRENCES

Tenant shall give prompt notice to Landlord of: (i) any occurrence in or about the Premises for which Landlord might be liable; (ii) any fire or other casualty in the Premises; (iii) any damage to or defect in the Premises including the fixtures, equipment and appurtenances thereof, for the repair of which Landlord might be responsible; and (iv) damage to or defect in any part or appurtenances of the Building's sanitary, electrical, heating, ventilating, air conditioning, or other systems located in or passing through the Premises or any part thereof.

SECTION 17. NONLIABILITY AND INDEMNIFICATION

17.1 **Waiver**. Landlord shall not be liable for any loss or damage to person or property sustained by Tenant, or other persons, which may be caused by theft, or by any act or neglect of any tenant of the Building and/or Center or by any other person in or about the Building and/or

Center. Neither Landlord nor any partner, director, officer, agent, servant or employee of Landlord shall be liable to Tenant for any loss, injury or damage to Tenant or to any other person, or to its or their property, irrespective of the cause of such injury, damage or loss, except to the extent caused by or resulting from the gross negligence or willful misconduct of Landlord, its agents, servants or employees in the operation or maintenance of the Premises or the Building and/or Center. Further, neither Landlord nor any partner, director, officer, agent, servant or employee of Landlord shall be liable: (i) for any such damage caused by other tenants or persons in, upon or about the Building and/or Center, or caused by operations in construction of any private, public or quasi-public work; or (ii) even if negligent, for consequential damages, including lost profits, of Tenant or any person claiming through or under Tenant.

Indemnification. Subject to the limitations and conditions of the Oregon 17.2 Constitution and the Oregon Tort Claims Act (ORS 30.260 to 30.300), including (without limitation) specifically subject to and within the financial limits and conditions set forth at ORS 30.272 for local public bodies and at ORS 30.273 for public bodies, Tenant shall indemnify and defend Landlord and all Superior Lessors and Superior Mortgagees, and their officers, directors, employees and agents, harmless for, regarding, from and against any and all liabilities, penalties, losses, damages, costs and expenses, demands, causes of action, claims or judgments (including, without limitation, attorneys' fees and expenses) (collectively, "Claims") arising, claimed or incurred against or by Landlord, or its officers, directors, employees or agents, from any matter or thing arising from (i) the use or occupancy of the Premises or the Building and/or Center by Tenant or any subtenant or assignee of Tenant, or any of their respective officers, directors, employees, agents, licensees and invitees, the conduct of Tenant's business, or from any activity, work or other thing done, permitted or suffered by Tenant in or about the Premises or the Building and/or Center; (ii) any accident, injury to or death of Tenant and/or its officers, directors, employees, agents, invitees or licensees or loss of or damage to property of Tenant or any such persons occurring on or about the Premises, the Building and/or Center or any part thereof during the term hereof; (iii) any breach or default in the performance of any obligation on Tenant's part or to be performed under the terms of this Lease; or (iv) the performance of any labor or services or the furnishing of any materials or other property in respect of the Premises or any part thereof at the request of Tenant, or its officers, directors, agents and employees.

17.3 **Duty to Defend**. In case any action or proceeding is brought against Landlord and/or any Superior Lessor and/or Superior Mortgagee and/or its or their partners, directors, officers, agents and/or employees and such claim is a claim from which Tenant is obligated to indemnify Landlord pursuant to Section 17.2, Tenant, upon notice from Landlord or such Superior Lessor or Superior Mortgagee, shall resist and defend such action or proceeding. The obligation of Tenant under this Section 17 shall survive termination of this Lease.

SECTION 18. DAMAGE OR DESTRUCTION

18.1 **Casualty**. If the Premises or the Building are damaged by fire or other casualty, Landlord shall forthwith repair the same unless this Lease is terminated as permitted herein. Within thirty (30) days from the date of such damage, Landlord shall notify Tenant if the Building is damaged in excess of twenty five percent (25%) of the Building's precasualty value, as reasonably determined by Landlord (damage in excess of such amount being referred to as "Major Damage" and damage equal to or less than such amount being referred to as "Minor Damage"). If

Major Damage occurs, Landlord may elect to terminate the Lease. If Minor Damage occurs, then Landlord shall repair such damage and rebuild that portion of the Building or the Premises damaged. In the event of Major Damage, if Landlord gives its written notice to Tenant electing to rebuild or in the event of Minor Damage, this Lease shall remain in full force and effect except the Rent shall be reasonably abated during the period of repair based on that portion of the Premises not reasonably usable by Tenant. If in the event of Major Damage, Landlord elects by written notice to Tenant not to rebuild, then this Lease shall automatically terminate as of the effective date of such notice, the Rent shall be reduced by a proportionate amount based upon the extent to which said damage interfered with the business carried on by Tenant in the Premises, and the Tenant shall pay such reduced Rent up to the date of termination. Landlord agrees to refund to Tenant any Rent previously paid for any period of time subsequent to such date of termination. Landlord shall not be required to repair any damage by fire or other cause to the property of Tenant or any alterations, fixtures or improvements installed on the Premises by or at the expense of Tenant.

18.2 **Condemnation**. If more than ten percent (10%) of the Land or more than ten percent (10%) of the Building shall be taken or appropriated under the power of eminent domain or conveyed in lieu thereof, Landlord shall have the right to terminate this Lease. If such taking renders the Premises unsuitable for the conduct of Tenant's business then Tenant shall have the right to terminate this Lease. If this Lease is terminated, Landlord shall receive (and Tenant shall assign to Landlord upon demand from Landlord) any and all income, rent, award or any interest thereon which may be paid or owed in connection with the exercise of such power of eminent domain or conveyance in lieu thereof, and Tenant shall have no claim against the agency exercising such power or receiving such conveyance, for any part of such sum paid by virtue of such proceedings, whether or not attributable to the value of the unexpired term of this Lease, except only for the value of any personal property of Tenant that is taken and relocation benefits, if any. If a part of the Land and/or Building shall be so taken or appropriated or conveyed and Landlord shall elect not to terminate this Lease, Landlord shall nonetheless receive (and Tenant shall assign to Landlord upon demand from Landlord) any and all income, rent, award or any interest thereon paid or owed in connection with such taking, appropriation or conveyance; and if the Premises have been damaged as a consequence of such partial taking or appropriation or conveyance, Landlord shall restore the Premises and this Lease shall remain in full force and effect except that Tenant shall be entitled to an appropriate reduction in Rent while such restoration is being made by Landlord. Such proportionate reduction shall be based upon the extent to which the restoration being made by Landlord shall interfere with the business carried on by Tenant in the demised Premises. Landlord will not be required to repair or restore any injury or damage to the property of Tenant or make any repairs or restoration to any alterations, additions, fixtures or improvements installed in the Premises by or at the expense of Tenant. Notwithstanding any other provision of this Lease, Tenant may separately pursue claims against the condemnor for the value of Tenant's personal property which Tenant is entitled to remove under this Lease, moving costs, loss of business, and other claims it may lawfully have, but only to the extent any such claims will not reduce Landlord's award.

SECTION 19. SURRENDER AND HOLDING OVER

19.1 **General**. On the last day of the term of this Lease, or upon reentry by Landlord upon the Premises, Tenant shall quit and surrender the Premises to Landlord "broom clean" and

in good order, condition and repair, except for ordinary wear and tear in accordance with the provisions of Section 13 of this Lease.

19.2 **Surrender**. No agreement relating to the surrender of the Premises by Tenant shall be enforceable against Landlord unless in writing and signed by Landlord.

19.3 **Holding Over with Consent**. Any holding over after the expiration of the term of this Lease with the written consent of Landlord shall be a tenancy from month to month. The terms, covenants and conditions of such tenancy shall be the same as provided herein, and the monthly Base Rent shall be 125% of the amount of the Base Rent for the last month prior to the date of such expiration or termination. Acceptance by Landlord of Rent after such expiration shall not result in any other tenancy or any renewal of the term of this Lease, and the provisions of this Section are in addition to and do not affect Landlord's right of re-entry or other rights provided under this Lease or by applicable law.

19.4 Holding Over Without Consent. If Tenant shall retain possession of the Premises or any part thereof without Landlord's consent following the expiration or sooner termination of this Lease for any reason, then Tenant shall pay to Landlord for each day of such retention 200% of the amount of the daily Base Rent for the last month prior to the date of such expiration or termination, plus all Additional Rent. However, if Tenant shall retain possession of the Premise after the expiration or sooner termination of this Lease, and provided Landlord and Tenant are actively engaged in good faith negotiations for the extension or renewal of this Lease, then Tenant shall pay to Landlord for each day of such retention 150% of the amount of the daily Base Rent for the last month prior to the date of such expiration or termination, plus all Additional Rent. In all cases of holding over without consent, Tenant shall defend, indemnify and hold Landlord harmless from any loss or liability resulting from delay by Tenant in surrendering the Premises, including, without limitation, any claims made by any succeeding tenant founded on such delay. If Landlord gives notice to Tenant of Landlord's election thereof, any holding over without consent shall constitute renewal of this Lease for a period specified by Landlord not to exceed six (6) months or as a month to month tenant, at the applicable rental rate described in this Section. Acceptance of Rent by Landlord following expiration or termination shall not constitute a renewal of this Lease, and nothing contained in this Section shall waive Landlord's right of re-entry or any other right. Unless Landlord exercises the option hereby given to it, Tenant shall be only a Tenant at sufferance, whether or not Landlord accepts any Rent from Tenant while Tenant is holding over without Landlord's written consent.

SECTION 20. EVENTS OF DEFAULT

20.1 **Events of Default**. The occurrence of any one or more of the following shall be an event of default under this Lease by Tenant:

20.1.1 If Tenant shall fail to pay any Security Deposit, Base Rent or Additional Rent, and such failure shall continue for ten (10) days after Landlord shall have given Tenant a notice specifying the same; or

20.1.2 If Tenant shall, whether by action or inaction, fail to perform any of its obligations under this Lease (other than the payment of any Security Deposit, Base Rent or

Additional Rent) and such failure shall continue and not be remedied within twenty (20) days after Landlord shall have given to Tenant a notice specifying the same, or, in the case of a failure that cannot with due diligence be cured within a period of twenty (20) days and the continuance of which for the period required for cure will not subject Landlord or any Superior Lessor to prosecution for a crime or termination of any Superior Lease or foreclosure of any Superior Mortgage, if Tenant shall not, (i) within said twenty (20) day period advise Landlord of Tenant's intention to take all steps necessary to remedy such failure; (ii) duly commence within said twenty (20) day period, and thereafter diligently prosecute to completion, all steps necessary to remedy the failure; and (iii) complete such remedy within a reasonable time after the date of said notice of Landlord; or

20.1.3 If any event shall occur or any contingency shall arise whereby this Lease or the estate hereby granted or the unexpired balance of the term hereof would, by operation of law or otherwise, devolve upon or pass to any person, firm or corporation other than Tenant, except as expressly permitted by Section 9; or

20.1.4 If Tenant shall vacate or abandon the Premises; excluding any temporary cessation of business operations in the Premises due to casualty, remodeling or alterations (not to exceed thirty (30) days), force majeure, emergency or other acts of God and beyond the control of Tenant; or

20.1.5 If Tenant or any guarantor of Tenant's obligations shall make a general assignment for the benefit of creditors, or shall be unable to pay its debts as they become due, or shall file a petition in bankruptcy, or shall be adjudicated as bankrupt or insolvent, or shall file a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, or shall file an answer admitting or shall fail timely to contest the material allegations of a petition filed against it in any such proceeding, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Tenant or any material part of its properties; or

20.1.6 If within ninety (90) days after the commencement of any proceeding against Tenant seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such proceeding shall not have been dismissed or if, within ninety (90) days after the appointment without the consent or acquiescence of Tenant of any trustee, receiver or liquidator of Tenant or of any material part of its properties, such appointment shall not have been vacated; or

20.1.7 If this Lease or any estate of Tenant hereunder shall be levied upon under any attachment or execution and such attachment or execution is not vacated within ten (10) days.

20.2 **Limitation of Tenant Right to Notice**. During any twelve (12) month period, Tenant shall be entitled to only two (2) notices pursuant to Section 20.1.1 and one (1) notice each for the same type of default pursuant to Section 20.1.2. Notwithstanding the foregoing, with respect to any subsequent default of the same type, Landlord shall furnish Tenant with written notice of such subsequent default but Tenant's cure period may be shortened or eliminated at Landlord's discretion.

SECTION 21. REMEDIES UPON DEFAULT

21.1 **Remedies**. Upon the occurrence of an event of default of this Lease under Section 20, Landlord may exercise any one or more of the remedies set forth in this Section 21 or in Section 24, or any other remedy available under applicable law or contained in this Lease.

21.1.1 Landlord or Landlord's agents and employees may immediately or at any time thereafter reenter the Premises, or any part thereof, either by summary eviction proceedings or by any suitable action or proceeding at law, or by force or otherwise, without being liable to indictment, prosecution or damages therefor, and may repossess the same, and may remove any person therefrom, to the end that Landlord may have, hold and enjoy the Premises.

21.1.2 Landlord at its option may relet the whole or any part of the Premises from time to time, either in the name of the Landlord or otherwise, to such tenants, for such terms ending before, on or after the expiration date of the Lease Term, at such rentals and upon such other conditions (including concessions, tenant improvements, and free rent periods) as Landlord may determine to be appropriate. Landlord at its option may make such physical changes to the Premises as Landlord considers advisable or necessary in connection with any such releting or proposed releting, without relieving Tenant of any liability under this Lease or otherwise affecting Tenant's liability. If there is other unleased space in the Center, Landlord may lease such other space without prejudice to its remedies against Tenant.

21.1.3 Whether or not Landlord retakes possession or relets the Premises, Landlord shall have the right to recover unpaid rent and all damages caused by the default, including reasonable attorneys' fees. Damages shall include, without limitation: (i) all rentals lost; (ii) all legal expenses and other related costs incurred by Landlord following Tenant's default; (iii) all costs incurred by Landlord in restoring the Premises to the good order and condition, or in remodeling, renovating or otherwise preparing the Premises for reletting; and (iv) all costs incurred by Landlord in reletting the Premises, including, without limitation, any brokerage commissions and the value of Landlord's time.

21.1.4 To the extent permitted under law, Landlord may sue periodically for damages as they accrue without barring a later action for further damages. Landlord may in one action recover accrued damages plus damages attributable to the remaining Lease Term equal to the difference between the rent reserved in this Lease (including an estimated amount of Additional Rent as determined by Landlord) for the balance of the Lease Term after the time of award, and the fair rental value of the Premises for the same period, discounted to the time of award at the rate of nine percent (9%) per annum. If Landlord has relet the Premises for the period which otherwise would have constituted the unexpired portion of the Lease Term or any part, the amount of rent reserved upon such releting shall be deemed, prima facie, to be the fair and reasonable rental value for the part or the whole of the Premises so relet during the term of the reletting.

21.2 **Cumulative Remedies**. The remedies provided for in this Lease are cumulative and are not intended to be exclusive of any other remedies to which Landlord may lawfully be entitled at any time, and Landlord may invoke any remedy allowed at law or in equity, including an action for specific performance, as if specific remedies were not provided for herein. In the

event of a breach or threatened breach by Tenant of any of its obligations under this Lease, Landlord shall also have the right to obtain an injunction and any other appropriate equitable relief.

21.3 **Termination**. Even though Tenant has breached this Lease, the Lease shall continue in effect for so long as Landlord does not agree in writing to terminate Tenant's continuing contractual liability, and Landlord may enforce all its rights and remedies under this Lease, including the right to recover the rent as it becomes due under this Lease. Acts of maintenance or preservation or efforts to relet the Premises or the appointment of a receiver upon initiative of Landlord to protect Landlord's interest under this Lease shall not constitute a termination of Tenant's right to possession except to the extent required otherwise under law or unless written notice of termination is given by Landlord to Tenant.

21.4 **Interest on Damages**. In addition to any other remedies Landlord may have under this Lease, and without reducing or adversely affecting any of Landlord's rights and remedies under this Section 21, if any Base Rent, Additional Rent or damages payable hereunder by Tenant to Landlord are not paid within five (5) days after demand therefor, the same shall bear interest at the annual rate of fifteen percent (15%) or the maximum rate permitted by law, whichever is less, calculated monthly from the due date thereof until paid, and the amount of such interest shall be included as Additional Rent hereunder.

SECTION 22. SERVICES IN THE EVENT OF DEFAULT

In addition to any rights and remedies which Landlord may have under this Lease, if there shall be a default hereunder by Tenant which shall not have been remedied within the applicable grace period, Landlord shall not be obligated to furnish Tenant or the Premises any heat, ventilation or air conditioning services outside of the Business Hours on business days, or any extra or additional cleaning services; and the discontinuance of any one or more such services shall be without liability by Landlord to Tenant and shall not reduce, diminish or otherwise affect any of Tenant's covenants and obligations under this Lease.

SECTION 23. NO WAIVERS OF PERFORMANCE

The failure of either party to insist in any one or more instances upon the strict performance of any one or more of the obligations of this Lease, or to exercise any election herein contained, shall not be construed as a waiver or relinquishment for the future of the performance of such one or more obligations or any other obligations of this Lease or of the right to exercise such election, but the same shall continue and remain in full force and effect with respect to any subsequent breach, act or omission. The receipt by Landlord of Rent with or without knowledge of a failure by Tenant to perform any obligation of this Lease shall not be deemed a waiver of such failure. Landlord may accept partial payment of amounts due without waiver of default or of its right to pursue all remedies for the balance unpaid.

SECTION 24. CURING TENANT'S DEFAULTS

All covenants and agreements to be performed by the Tenant under any of the terms of this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any abatement of Rent except as expressly provided otherwise herein. If the Tenant shall fail to pay any sum of money, other than Rent, required to be paid by it hereunder or shall fail to perform any other act on its part to be performed hereunder, and such failure shall continue for the periods referred to in Section 20 hereof after notice thereof by the Landlord, the Landlord may make any such payment or perform any such act on the Tenant's part to be made or performed as in this Lease provided but shall not be obligated so to do. Any such payment or performance shall not be a waiver or release of Tenant's obligations. All sums so paid by the Landlord and all necessary incidental costs together with interest thereon at the rate specified in Section 21.4 from the date of such payment by the Landlord shall be payable as Additional Rent to the Landlord on demand, and the Tenant covenants to pay any such sums, and the Landlord shall have, in addition to any other right or remedy of the Landlord, the same rights and remedies in the event of the nonpayment thereof by the Tenant as in the case of default by the Tenant in the payment of the Rent.

SECTION 25. BROKER

Tenant covenants, warrants and represents that no broker except as provided in the Basic Lease Information (the "Broker") was instrumental in bringing about or consummating this Lease and that Tenant had no conversations or negotiations with any broker except the Broker concerning the leasing of the Premises. Tenant agrees to indemnify and hold harmless Landlord against and from any claims for any brokerage commissions and all costs, expenses and liabilities in connection therewith, including, without limitation, attorneys' fees and expenses, arising out of any conversations or negotiations had by Tenant with any broker other than the Broker. Landlord shall pay any brokerage commissions due the Broker as per a separate agreement between Landlord and the Broker.

SECTION 26. NOTICES

Any notice, statement, demand, consent, approval or other communication required or permitted to be given, rendered or made by either party to the other, pursuant to this Lease or pursuant to any applicable law or requirement of public authority, shall be in writing (whether or not so stated elsewhere in this Lease). Notices shall be deemed to have been properly given, rendered or made: if delivered in person to the Landlord or Tenant and receipt is acknowledged; or, if sent postage prepaid by registered or certified mail, return receipt requested, effective when posted in a United States post office station or letter box in the continental United States, (or, if sent by commercial overnight courier, prepaid for next day delivery, effective when delivered to the courier in the continental United States) addressed to the other party at the address designated by the party (except that after the Commencement Date, Tenant's address, unless Tenant shall give notice to the contrary, shall be the Premises). Either party may, by notice as aforesaid, designate a different address or addresses for notices, statements, demands, consents, approvals or other communications intended for it.

SECTION 27. ESTOPPEL CERTIFICATES

Tenant agrees, at any time and from time to time, as requested by Landlord with not less than ten (10) days' prior notice, to execute and deliver a statement certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), certifying the dates to which the Base Rent and Additional Rent have been paid, stating whether or not Landlord is in default in performance of any of its obligations under this Lease, and, if so, specifying each such default, and stating whether or not any event has occurred which with the giving of notice or passage of time, or both, would constitute such a default, and, if so, specifying each such event, it being intended that any such statement delivered pursuant hereto shall be deemed a representation and warranty to be relied upon by Landlord and by others with whom Landlord may be dealing, regardless of independent investigation. Tenant also shall include in any such statement such other information concerning this Lease as Landlord may reasonably request. Without limiting the foregoing, Tenant shall upon request execute a Statement of Tenant in the form attached as <u>Exhibit I</u>. If Tenant fails to respond within fifteen (15) days of receipt by Tenant of a written request for such a statement, Tenant shall be deemed to have given such statement and shall be deemed to have admitted the accuracy of any information contained in the request for such statement and that the Lease is unmodified and in full force and effect, that there are not uncured defaults in Landlord's performance, and that not more than one (1) month's rent has been paid in advance.

SECTION 28. MEMORANDUM OF LEASE

Tenant shall not record this Lease. Upon ten (10) days' prior written notice from Landlord, Tenant shall execute, acknowledge and deliver to Landlord a memorandum of lease in respect of this Lease sufficient for recording. Such memorandum shall not be deemed to change or otherwise affect any of the obligations or provisions of this Lease.

SECTION 29. RELOCATION OF PREMISES

Intentionally omitted.

SECTION 30. ADJUSTMENT OF COMMENCEMENT AND EXPIRATION DATES

Intentionally omitted.

SECTION 31. MISCELLANEOUS

31.1 **Merger**. All understandings and agreements heretofore had between the parties are merged in this Lease and any other written agreement(s) made concurrently herewith, which alone fully and completely express the agreement of the parties and which are entered into after full investigation, neither party relying upon any statement or representation not embodied in this Lease or any other written agreement(s) made concurrently herewith. Landlord has made no representations or warranties except as contained herein. No agent or broker of Landlord has authority to make nor has made any promise, warranty or representation to Tenant. No representation or covenant has been made regarding the size, number or operation of other lessees of the Building and/or Center. Any offering materials or advertisements are specifically disclaimed and are superseded by this Lease; Tenant has not relied upon any of the same. Except only for Landlord's covenants stated in this Lease, the Premises is leased "AS IS."

31.2 **Modifications**. No agreement shall be effective to change, modify, waive, release, discharge, terminate or effect an abandonment of this Lease, in whole or in part, unless such agreement is in writing, refers expressly to this Lease and is signed by the party against whom enforcement is sought. If Tenant shall at any time request Landlord to sublet the Premises for

Tenant's account, Landlord or its agent is authorized to receive the keys for such purposes without releasing Tenant from any of its obligations under this Lease, and Tenant hereby releases Landlord of any liability for loss or damage to any of the Tenant's Property in connection with such subletting.

31.3 **Successors and Assigns**. Except as otherwise expressly provided in this Lease, the obligations of this Lease shall bind and benefit the successors and assigns of the parties hereto with the same effect as if mentioned in each instance where a party is named or referred to; provided, however, that: (i) no violation of the provisions of Section 9 shall operate to vest any rights in any successor or assignee of Tenant; and (ii) the provisions of this Section shall not be construed as modifying the provisions of Section 9 or 20.

31.4 **Nonrecourse Lease**. Tenant shall look only to Landlord's estate and property in the Land and the Building for the satisfaction of Tenant's remedies for the collection of a judgment requiring the payment of money by Landlord in the event of any default by Landlord hereunder, and no other property or assets of (a) Landlord, or (b) its agents, partners or principals, or of the agents of employees of Landlord or of the foregoing (the "Protected Parties"), shall be subject to levy, execution or other enforcement procedure for the satisfaction of Tenant's remedies under or with respect to this Lease, the relationship of Landlord and Tenant hereunder or Tenant's use or occupancy of the Premises. No Protected Party shall have any liability whatsoever to Tenant. Notwithstanding any other provision of this Lease (x) Landlord shall in no event be liable for lost business, lost profits or any form of consequential damages, and (y) upon a sale or other conveyance or transfer of the lessor's interest in this Lease, the transferring Landlord shall be automatically released from any liability thereafter arising.

31.5 **Force Majeure**. The obligations of Tenant hereunder shall be in no way affected, impaired or excused, nor shall Tenant have any remedy or Landlord have any liability whatsoever to Tenant, because Landlord is unable to fulfill, or is delayed in fulfilling, any of its obligations under this Lease by reason of:

31.5.1 strike, other labor trouble, governmental preemption of priorities or other controls in connection with a national or other public emergency or shortages of fuel, any other act or order of government, an epidemic or pandemic, including COVID-19, delays in the issuance of permits or governmental inspections, supplies or labor resulting therefrom, or any other cause, whether similar or dissimilar, beyond Landlord's reasonable control; or

31.5.2 any failure or defect in the supply, quantity or character of electricity, water or other utilities furnished to the Premises, by reason of any requirement, act or omission of the public utility or others serving the Building with electric energy, steam, oil, gas or water, or for any other reason whether similar or dissimilar, beyond Landlord's reasonable control.

31.6 **Definitions**. For the purpose of this Lease, the following terms have the meanings indicated:

31.6.1 The term "mortgage" shall include a mortgage and/or deed of trust, and the term "holder of a mortgage" or "mortgagee" or words of similar import shall include a mortgagee of a mortgage or a beneficiary of a deed of trust.

31.6.2 The term "Legal Requirements" shall mean laws and ordinances of any or all of the federal, state, city, town, county, borough and village governments and rules, regulations, orders and directives of any and all departments, subdivisions, bureaus, agencies or offices thereof, and of any other governmental, public or quasi-public authorities having jurisdiction over the Building and/or the Premises, and the direction of any public officer pursuant to law, whether now or hereafter in force.

31.6.3 The term "requirements of insurance bodies" and words of similar import shall mean rules, regulations, orders and other requirements of any Surveying and Rating Bureau and/ or any other similar body performing the same or similar functions and having jurisdiction or cognizance over the Building and/or the Premises, whether now or hereafter in force.

31.6.4 The term "Tenant" shall mean the Tenant herein named or any assignee or other successor in interest (immediate or remote) of the Tenant herein named, which at the time in question is the owner of the Tenant's estate and interest granted by this Lease; but the foregoing provisions of this subsection shall not be construed to permit any assignment of this Lease or to relieve the Tenant herein named or any assignee or other successor in interest (whether immediate or remote) of the Tenant herein named from the full and prompt payment, performance and observance of the covenants, obligations and conditions to be paid, performed and observed by Tenant under this Lease. If more than one person or entity constitutes the Tenant, all are jointly and severally liable hereunder.

31.6.5 The term "Landlord" shall mean only the owner at the time in question of the Building or of a lease of the Building, so that in the event of any transfer or transfers of title to the Building or of Landlord's interest in a lease of the Building, the transferor shall be and hereby is relieved and freed of all obligations of Landlord under this Lease accruing after such transfer, and it shall be deemed without further agreement that such transferee has assumed and agreed to perform and observe all obligations of Landlord herein during the period it is the holder of Landlord's interest under this Lease.

31.6.6 The term "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Lease as a whole, and not to any particular Section, unless expressly so stated.

31.6.7 The term "and/or" when applied to two or more matters or things shall be construed to apply to any one or more or all thereof as the circumstances warrant at the time in question.

31.6.8 The term "person" shall mean natural person or persons, a partnership, a corporation and any other form of business or legal association or entity.

31.7 **Effect of Expiration**. Upon the expiration or other termination of this Lease, neither party shall have any further obligation or liability to the other except as otherwise expressly provided in this Lease and except for such obligations as by their nature or under the circumstances can only be, or by the provisions of this Lease, may be, performed after such expiration or other termination; and, in any event, unless otherwise expressly provided in this Lease, any obligation of Tenant, including but not limited to liability for a payment (including, without limitation,

Additional Rent, herein) which shall have accrued prior to the expiration or other termination of this Lease shall survive the expiration or other termination of this Lease.

31.8 **Modifications for Superior Mortgagee**. If any Superior Mortgagee shall require any modification(s) of this Lease, Tenant upon ten (10) days' prior written notice of Landlord's request, shall execute and deliver to Landlord such instruments effecting such modification(s) as Landlord shall require, provided that such modification(s) do not adversely affect in any material respect any of Tenant's rights under this Lease.

31.9 **Excavation**. If an excavation shall be made upon land adjacent to or under the Building, or shall be authorized to be made, Tenant shall afford to the person causing or authorized to cause such excavation license to enter the Premises for the purpose of performing such work as said person shall deem necessary or desirable to preserve and protect the Building from injury or damage and to support the same by proper foundations, and without reducing or otherwise affecting Tenant's obligations under this Lease.

31.10 Union Contracts. Tenant agrees that the exercise of its rights pursuant to the provision of Section 12 or of any other provisions of this Lease or the Exhibits hereto shall not be done in a manner which would violate Landlord's union contracts affecting the Land and/or Building, nor create any lawful work stoppage, picketing, labor disruption or dispute or any interference with the business of Landlord or any tenant or occupant of the Building.

31.11 **Prorations**. Any apportionments or prorations of Base Rent or Additional Rent to be made under this Lease shall be computed on the basis of a three hundred sixty (360) day year, with twelve (12) months of thirty (30) days each.

31.12 **Interpretation**. Regardless of the place of execution or performance, this Lease shall be governed by and construed in accordance with the laws of the state in which the Premises are located. If any provision of this Lease or the application thereof to any person or circumstances shall, for any reason and to any extent, be invalid or unenforceable, the remainder of this Lease and the application of that provision to other persons or circumstances shall not be affected but rather shall be enforced to the extent permitted by law. The table of contents, captions, heading and titles in this Lease are solely for convenience or reference and shall not affect its interpretation. Each covenant, agreement, obligation or other provision of this Lease on Tenant's part to be performed shall be deemed and construed as a separate and independent covenant of Tenant, not dependent on any other provision of this Lease. All terms and words used in this Lease, regardless of the number or gender in which they are used, shall be deemed to include any other number and any other gender as the context may require. Time is of the essence of this Lease and all of its provisions.

31.13 **No Additional Rights**. Any diminution or shutting off of light, air or view by any structure which may be erected on lands adjacent to or near the Building or Center shall in no way affect this Lease or impose any liability on Landlord. Landlord has not promised, and this Lease is not made on the condition, that any other lessees will occupy any part of the Center or that any other lessee will make any particular use of its space.
31.14 **Tenant Representations**. Each person executing this Lease on behalf of Tenant does hereby covenant and warrant that:

31.14.1 Tenant is duly organized and validly existing as a a county and political subdivision of the State of Oregon under the laws of the State of Oregon and, if domiciled in a different state, is qualified to transact business in Oregon;

31.14.2 Tenant has full right and authority to enter into this Lease and to perform all Tenant's obligations hereunder; and

31.14.3 Each person signing this Lease on behalf of Tenant is duly and validly authorized to do so.

31.15 **Defined Terms**. Words capitalized other than as the first word of a sentence are defined terms and have the meaning, throughout this Lease, given to them when they are first used with an initial capital or when used in quotation marks.

31.16 Examination, Execution and Delivery. Submission of this document for examination and signature by Tenant is not an offer to lease and does not create a reservation or option to lease. Landlord may negotiate with, and lease the Premises to, other third parties and may cease negotiation with Tenant at any time. No claim for reliance, estoppel, contract, breach of good faith, or other claim can be made based upon the circulation and negotiation of this Lease. This document will become effective and binding only upon full execution and delivery by both Tenant and Landlord. This Lease and all later documents, such as amendments, (a) may be executed by electronic signature, and (b) may be executed and delivered in counterpart, and (c) may be delivered electronically (provided, if requested by Landlord, Tenant shall deliver a manually executed original of any of the foregoing to Landlord). Electronic records and electronic signatures may be used in connection with the execution of this Lease and such later documents, and the same shall be legal and binding and have the same full force and effect as if a paper original of this Lease or such document had been signed using a handwritten signature. Landlord and Tenant (i) intend to be bound by electronic signatures and by documents sent or delivered by electronic mail or other electronic means, (ii) are aware that the other party will rely on such signatures and delivery, and (iii) hereby waive any defenses to the enforcement of the terms of this Lease or any later documents based on the foregoing forms of signature or delivery. The foregoing does not prohibit the use of handwritten signatures or physical delivery.

31.17 Costs and Attorney Fees.

31.17.1 **No Suit or Action Filed**. If this Lease is placed in the hands of an attorney due to a default in the payment or performance of any of its terms, the defaulting party shall pay, immediately upon demand, the other party's reasonable attorney fees, collection costs even though no suit or action is filed thereon, and any other fees or expenses incurred by the nondefaulting party. Notwithstanding the foregoing, neither party shall be responsible for attorney fees incurred by the other for customary matters that reasonably could have been handled through normal administrative action.

31.17.2 **Arbitration or Mediation; Trial and Appeal**. If any arbitration, mediation, or other proceeding is brought in lieu of litigation, or if legal action is instituted to

enforce or interpret any of the terms of this Lease or if legal action is instituted in a Bankruptcy Court for a United States District Court to enforce or interpret any of the terms of this Lease, to seek relief from an automatic stay, to obtain adequate protection, or to otherwise assert the interest of Landlord in a bankruptcy proceeding, the party not prevailing shall pay the prevailing party's costs and disbursements, the fees and expenses of expert witnesses in determining reasonable attorney fees, and such sums as the court may determine to be reasonable for the prevailing party's attorney fees connected with the trial and any appeal and by petition for review thereof.

31.17.3 **Definitions**. For purposes of this Lease, the term attorney fees includes all charges of the prevailing party's attorneys and their staff (including without limitation legal assistants, paralegals, word processing, and other support personnel) and any postpetition fees in a bankruptcy court. For purposes of this Lease, the term fees and expenses includes but is not limited to long-distance telephone charges; expenses of facsimile transmission; expenses for postage (including costs of registered or certified mail and return receipts), express mail, or parcel delivery; mileage and all deposition charges, including but not limited to court reporters' charges, appearance fees, and all costs of transcription; costs incurred in searching records.

31.18 **Consent**. Unless Landlord's consent or approval is required by the express terms of this Lease not to be unreasonably withheld, such approval or consent may be withheld by Landlord in its sole and arbitrary discretion. The grant of any consent or approval required from Landlord under this Lease shall be proved only by proof of a written document signed and delivered by Landlord expressly setting forth such consent or approval. Any consent may be issued subject to conditions determined by Landlord, in its sole discretion. Notwithstanding any other provision of this Lease, the sole and exclusive remedy of Tenant for any alleged or actual improper withholding, delaying or conditioning of any consent or approval by Landlord shall be the right to specifically enforce any right of Tenant to require issuance of such consent or approval on conditions not prohibited by this Lease; in no event shall Tenant have the right to terminate this Lease, to collect monetary damages, or to pursue any other remedy for any actual or alleged improper withholding, delaying or conditioning of any consent or approval, regardless of whether this Lease requires that such consent or approval not be unreasonably withheld, conditioned or delayed.

31.19 **USA Patriot Act Compliance**. Tenant represents to Landlord that Tenant is not (and is not engaged in this transaction on behalf of) a person or entity with which Landlord is prohibited from doing business pursuant to any law, regulation or executive order pertaining to national security ("Anti-Terrorism Laws"). Anti-Terrorism Laws, as referenced above, shall specifically include, but shall not limited to, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and obstruct Terrorism Act of 2001, Pub. L. No. 107-56 (aka, the USA Patriot Act); Executive Order 13224; the Bank Secrecy Act, 31 U.S.C. Section 5311 et. seq.; the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq.; the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq.; sanctions and regulations promulgated pursuant thereto by the Office of Foreign Assets Control ("OFAC"), as well as laws related to the prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

[signatures follow]

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease Agreement as of the date and year first above written.

LANDLORD:

Hayden Meadows, a Joint Venture an Oregon general partnership

By: Meadows Land Partnership, an Oregon general partnership, its Managing Partner

> D Park Corporation, an Oregon By: corporation, its Managing Partner

By: ______ Vanessa Sturgeon, President & CEO

Date:

Email: vanessa@tmtdevelopment.com

TENANT:

Multnomah County, an Oregon political subdvision

By:

Deborah Kafoury, Chair

Date:

Email: scott.churchill@multco.us

EXHIBIT A

The Building



EXHIBIT B

The Center



EXHIBIT C

Floor Plan of Demised Premises



EXHIBIT D

Work Agreement

SECTION 1. GENERAL

1.1 **Lease.** This Work Agreement ("Work Agreement") is being entered into between Landlord and Tenant in connection with the execution of the Lease executed of even date herewith.

1.2 **Defined Terms.** Except as otherwise defined in this Work Agreement, all capitalized terms used in this Work Agreement have the same meaning given such term in the Lease. When work, services, consents or approvals are to be provided by or on behalf of Landlord, the term "Landlord" includes Landlord's employees and/or agents.

1.3 **Lease Provisions Apply.** The terms of the Lease, except where clearly inconsistent or inapplicable to this Work Agreement, are hereby added to and incorporated into this Work Agreement as if fully set forth herein.

SECTION 2. LANDLORD'S WORK

Landlord shall deliver the Premises, with Landlord's Work substantially complete and otherwise in "AS-IS" condition. Landlord's Work is described in <u>Schedule 1</u> to this Work Agreement. Tenant accepts the Premises in "AS-IS" condition and as being in the condition in which Landlord is obligated to deliver them and otherwise in good order, condition and repair.

SECTION 3. TENANT'S WORK

1.1 **Tenant Work**. Tenant intends to install certain leasehold improvements in the Premises (the "Tenant Improvements"). Tenant Improvements are described in <u>Schedule 1</u> to this Work Agreement. The installation of such Tenant Improvements shall be accomplished in accordance with this Work Agreement and also all other applicable provisions of the Lease; provided, in the event of a conflict, the provisions of this Exhibit shall control. The installation of such Tenant's Work."

1.2 **Plans**. Prior to commencing Tenant's Work, Tenant shall obtain Landlord's prior written approval of the final plans and specifications for Tenant's Work, which approval shall not be unreasonably withheld, but which may be issued subject to reasonable conditions. The final plans and specifications as approved by Landlord are herein referred to as the "Final Plans."

1.3 **Permits and Approvals**. Prior to commencing any construction activity, Tenant shall obtain, at its sole cost and expense, all permits and approvals necessary to perform Tenant's Work in accordance with the Final Plans. Copies of all such permits and approvals shall be delivered to Landlord as obtained.

1.4 **Construction**. Tenant shall comply with the following provisions.

(a) **Course of work**. Tenant shall commence construction of Tenant's Work promptly after fulfillment of the above provisions. Tenant's Work shall be constructed continuously and expeditiously to proceed to final completion. Tenant's Work shall be conducted and scheduled so as to avoid disruption of the operations of other tenants or occupants of the Center and to avoid any odor or noise that disturbs any other lessee. No dust or debris shall be created, nor materials stored, outside of enclosed Premises.

(b) **Compliance**. Tenant's Work shall be constructed in strict conformity with all applicable permits and approvals, all applicable laws, any conditions of Landlord's approval of the Final Plans, and any reasonable directions or requirements of Landlord's property manager.

(c) **Deliveries**. Upon final completion, Tenant shall deliver to Landlord the following, as applicable:

(i) A complete set of "as built" plans and specifications showing fully and in detail all work, including changes from the approved Final Plans and any variations from the work as shown on the Final Plans.

(ii) A complete copy of all inspection reports from governmental authorities and of all certificates of occupancy.

(iii) A copy of all warranties from the architect, the general contractor, all subcontractors, and all material suppliers, together with an assignment of the rights of Tenant with respect to all such warranties in form acceptable to Landlord.

- (iv) A certified copy of a completion notice showing proper recording.
- (v) Paid invoices and unconditional lien waivers for all of Tenant's

Work.

1.5 Liens. Tenant shall pay, as and when due, all amounts with respect to the Tenant's Work. Tenant shall not allow any claim of lien to be perfected by filing with respect to Tenant's Work. In the event any such claim of lien is filed, and Tenant does not discharge (and deliver to Landlord proof of discharge of) the lien within ten (10) business days, then without waiver of such default or of other rights or remedies, but with at least two (2) business days' notice to Tenant, Landlord shall have the right to cause such claim of lien to be removed by any means, including by payment; Landlord is not obligated to inquire as to the validity of any such lien or to determine whether all amounts claimed are due. Tenant acknowledges that Tenant's failure to discharge a lien and the subsequent payment of the same by Landlord may preclude Tenant from contesting the amount claimed. Any amounts expended by Landlord in connection with such claim of lien and/or in payment or other discharge of such lien shall be immediately reimbursed from Tenant to Landlord.

1.6 **Construction Insurance**. Prior to commencing any construction activity at the Premises, Tenant shall obtain the following insurance: Complete course of construction insurance in form and content satisfactory to Landlord. The form of insurance shall be delivered to Landlord for approval prior to commencement of construction. A copy of the policies and a certificate indicating that such insurance is in effect and fully paid and that the same will not be terminated

or modified without at least 10 days prior written notice to Landlord shall be delivered to Landlord prior to the commencement of any construction activity at the Premises. Notwithstanding the foregoing provisions of this paragraph, Landlord acknowledges that Tenant maintains insurance standards with which its construction contractors must comply and, therefore, so long as Tenant applies such standards to all of Tenant's contracts for Tenant's Work, Tenant shall be deemed in compliance with the provisions of this paragraph.

1.7 **Construction Oversight**. Landlord and its property manager shall have the right to conduct such construction oversight, as desired, and for this purpose shall at all times have access to the Premises. Landlord and/or its property manager (or designee) shall be given the schedule for all project meetings and shall have the right to attend all such meetings. Landlord and Landlord's agents shall have the right, but not the obligation, to inspect the construction of Tenant's Work from time to time during the progress thereof. If Landlord shall give Tenant written notice of faulty construction or any deviation from the Final Plans (except as approved in writing by Landlord), Tenant shall promptly make the necessary corrections to Landlord's reasonable satisfaction. However, neither the right herein granted to Landlord to make such inspections, nor the making of such inspections by Landlord, shall operate as a waiver of any rights of Landlord to require good and workmanlike performance of all Tenant's Work in accordance with the requirements of this Work Agreement. Notwithstanding any inspection or acceptance by Landlord of Tenant's Work, or any portion thereof, Tenant acknowledges that Landlord's sole interest in doing so is to protect the Building and Landlord's interests. Accordingly, Tenant shall not rely upon Landlord's inspections or approvals, and agrees that Landlord shall not be the guarantor of, nor responsible for, any of Tenant's Work. Tenant shall be solely responsible for, and shall remedy, at Tenant's sole expense, any and all defects in Tenant's Work that may appear during or after the completion thereof, whether the same shall affect the Premises in particular or any part of the Building in general.

SCHEDULE 1

Landlord's Work

Landlord will be responsible for the following:

- 1. Removal of all personal property inside the Premises.
- 2. Repair flooring in the office/conditioned areas where flooring is uneven.

Tenant Improvements

Tenant will be responsible for the following:

- 1. Add access hardware.
- 2. Installation of IT/security.
- 3. Provide power/data throughout the Premises.

EXHIBIT E

Legal Description for Land

DELTA MEADOWS, BLOCK 2, LOT 7

EXHIBIT F

Prohibited/Exclusive Uses

1. The Premises shall not be used as a Convenience Store with a Motor Fuels Facility. Convenience Store means a retail store selling, renting or providing substantially all of the merchandise and/or services customarily sold, rented or provided from time to time at convenience stores operated or franchised by 7-Eleven within the State of Oregon and including by way of example, but not limited to, stores such as a Cumberland Farms, Circle K, Stop N Shop, On the Run, High's, Store 24, WaWa, and Kwik Stop, and other similar regional convenience stores; however, a full line or specialty grocer, or a store selling, renting, or providing only some but not substantially all of such merchandise or services on an ancillary basis, is not a Convenience Store.

2. The Premises shall not be used as a liquor store or a tavern, bar, nightclub, cocktail lounge, discotheque, dance hall, or any other establishment selling alcoholic beverages for on-premises consumption; provided, however, the foregoing shall not prohibit the operation of a restaurant where the sale of alcoholic beverages therein comprises less than thirty (30%) percent of the restaurant's gross revenues.

3. The Premises shall not be used as a theater (motion picture or live performance).

4. The Premises shall not be used as a health club, gymnasium, or spa.

5. The Premises shall not be used as a service station, automotive repair shop or truck stop.

6. The Premises shall not be used as a flea market or pawn shop.

7. The Premises shall not be used as a training or educational facility (including without limitation, a school, college, reading room or other facility catering primarily to students and trainees rather than customers; provided that such restriction shall not prohibit the incidental use of an otherwise permitted business for training or classes, such as "how to" classes taught in conjunction with the sale of retail items from an otherwise permitted retail use).

8. The Premises shall not be used as a car wash, except on an Outparcel and where the same shall have constructed and shall use sanitary sewer, water, and storm water drainage lines entirely separate from those utilized by Lowe's.

9. The Premises shall not be used as a medical clinic or office.

10. [Intentionally omitted].

11. The Premises shall not be used as a dry-cleaning plant, central laundry, or laundromat.

12. The Premises shall not be used for selling automobiles, trucks, mobile homes, recreational motor vehicles (provided that such restriction shall not prohibit the lease of vehicles or equipment from Lowe's).

13. The Premises shall not be used as a child day care facility.

14. The Premises shall not be used as a hotel or motel.

15. The Premises shall not be used as public-facing governmental offices, but internal office and administration uses may occur in support of the Permitted Use.

16. The Premises shall not be used as an adult-type bookstore or other establishment selling, renting, displaying, or exhibiting pornographic or obscene materials (including without limitation, magazines, books, movies, videos, photographs or so-called "sexual toys") or providing adult-type entertainment or activities (including, without limitation, any displays of a variety involving, exhibiting, or depicting sexual themes, nudity, or lewd acts).

17. The Premises shall not be used as an Adult Gift Shop, defined as a retail establishment meeting any of the following criteria: (1) offers for sale or rental more than 25% of its total stock in trade any one or any combination of the following: sexual enhancement devices or sexual marital aids, erotically themed gifts or novelties, sexual toys, erotic massage aids and/or lubricants, or erotic media; (2) more than 5% of its total public floor space is utilized for displaying any one or any combination of the following: sexual enhancement devices, sexual marital aids, erotically themed gifts or novelties, sexual toys, erotic massage aids and/or lubricants, or erotic media; (2) more than 5% of its total public floor space is utilized for displaying any one or any combination of the following: sexual enhancement devices, sexual marital aids, erotically themed gifts or novelties, sexual toys, erotic massage aids and/or lubricants, or erotic media.

18. Any "Pornographic Use", which shall include, without limitation: (a) a store, theater or other establishment displaying for sale or exhibition books, magazines or other publications containing any combination of photographs, drawings, or sketches of a sexual nature, which are not primarily scientific or educational.

19. The Premises shall not be used as a mortuary, crematorium, or funeral home.

20. The Premises shall not be used as a mobile home or trailer court, labor camp, junkyard, or stockyard (except that this provision shall not prohibit the temporary use of construction trailers during periods of construction, reconstruction, or maintenance).

21. The Premises shall not be used as a land fill, garbage dump or for the dumping, disposing, incineration or reduction of garbage (exclusive of designated trash receptacles, trash

compactors, or trash containers located near the rear of the Building or other reasonably located location) or refuse.

22. The Premises shall not be used as a telephone call center.

23. The Premises shall not be used as a gambling facility or operation including but not limited to off-track or sports betting parlor; table games such as black-jack or poker; slot machines; video poker/black-jack/keno machines or similar devices; or bingo hall. Notwithstanding the foregoing, this prohibited use shall not apply to governmental sponsored gambling activities (such as Oregon Lottery video poker machines), or charitable gambling activities, so long as such governmental and/or charitable activities are incidental to the business operation being conducted by the Occupant.

24. The Premises shall not be used as a veterinary hospital or animal raising or keeping facilities; provided, however, that a retail business specializing in pet animals and pet animal supplies and products that include pet care or grooming clinics as an incidental part of its business (similar to those operated by or as PetCo and PetSmart) may be located in the Shopping Center; and provided, further, that the foregoing prohibition shall not apply to the existing business operated by Hayden Meadows Pet Clinic located in Meadows Square as shown on the Site Plan.

25. The Premises shall not be used as an assembling, manufacturing, industrial, distilling, refining, or smelting facility.

1.1.1

26. The Premises shall not be used to operate a building material supplies or home center or home improvement retail warehouse as such businesses are commonly understood in the shopping center business, including but not limited to the following uses:

(i) A hardware store or center containing more than 5,000 square feet of useable floor area.

(ii) An appliance or lighting store or center containing more than 5,000 square feet of useable floor area.

(iii) A home electronics store or center containing more than 5,000 square feet of useable floor area.

(iv) A nursery, and/or lawn and garden store or center containing more than 3,000 square feet of useable floor area.

(v) A paint store or center, wallpaper store or center, tile store or center, flooring store or center, carpeting store, or center and/or home decor store or center containing more than 5,000 square feet of useable floor area;

(vi) A retail and/or warehouse home improvement center, lumber yard, building materials supply center, home improvement service center and/or other stores or centers similar to those operated by Lowe's, Home Depot, Home Depot Expo, Villagers Hardware, 84 Lumber, Wickes Lumber, Hughes Lumber, McCoys, Menard's, Sears Hardware, Great Indoors, Scotty's, Sutherlands, and Orchard Supply.

These restrictions shall also apply to prohibit a larger business having space in its store devoted to selling the merchandise described in subparagraphs (i) through (vi) when such space exceeds the limitations of subparagraphs (i) through (vi).

27. [Intentionally omitted].

28. The Premises shall not be used for any entertainment purposes such as a bowling alley, skating rink, amusement gallery, cinema, billiard parlor/poolroom, health club, massage parlor, sporting event, sports or game facility, or off-track betting club.

29. The Premises shall not be used for any establishment which sells or displays used merchandise or secondhand goods.

30. The Premises shall not be used for a restaurant or establishment selling food prepared on Premises for consumption on or off the Premises located within five hundred (500) lineal feet of the Dick's Sporting Goods (Moreover, a restaurant shall not be permitted within three hundred (300) lineal feet of the Dick's Sporting Goods unless such restaurant is on an outparcel with self-contained parking with at least fifteen (15) parking spaces for so-called standard size American automobiles, and driveways and footways incidental thereto, for each one thousand (I,000) square feet of LFA).

31. The Premises shall not be used for the purposes of retail sales of pet food and supplies, sales of live tropical fish, small animals, reptiles, and birds, or the daytime grooming of pets.

32. The Premises shall not be used as a hardware store or center containing more than 5,000 SF; an appliance or lighting store or center containing more than 5,000 sf, a home electronics store or center containing more than 5,000 sf; a nursery and/or lawn and garden store containing more than 3,000 sf; a paint store or center; a wallpaper store or center; a tile store or center and/or a home decor store or center containing more than 5,000 sf; a retail and/or warehouse home improvement center; a lumber yard; a building materials supply center; a home improvement service center and/or other stores or centers similar to those operated by Lowe's, Home Depot, Home Depot Expo, Villagers Hardware, 84 Lumber, Wickes Lumber, Hughes Lumber, McCoys, Menard's, Sears Hardware, Great Indoors, Scotty's, Sutherlands and Orchard Supply.

33. The Premises shall not be used as a marine, fishing, and sporting goods supply store.

34. The Premises shall not be used as a single price point variety retail store, a variety retail operation with the word "Dollar" in its trade name, or "Big Lots".

35. The Premises shall not be used as a music hall.

36. Any use which emits or results in strong, unusual, or offensive odors, fumes, dust, or vapors, is a public or private nuisance, creates a hazardous condition.

37. The Premises shall not be used as an establishment primarily selling or exhibiting drug-related paraphernalia.

38. Any unlawful use.

EXHIBIT G

RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO:
, Esq.

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

This Subordination, Non-Disturbance and Attornment Agreement (this "<u>Agreement</u>"), dated the ______ day of ______, 20____, is executed by and among , Voya Retirement Insurance and Annuity Company f/k/a ING Life Insurance and Annuity Company, a Connecticut corporation with its principal office at c/o Voya Investment Management LLC, 5780 Powers Ferry Road, NW, Suite 300, Atlanta, Georgia 30327 (the "<u>Lender</u>"); Multnomah County, an Oregon political subdivision, with its principal office at 401 N. Dixon Street, Portland, Oregon 97227 (the "<u>Tenant</u>"), and Hayden Meadows, a joint venture, an Oregon general partnership with its principal office at 919 SW Taylor Street, Suite 700, Portland, OR 97205 (the "<u>Borrower</u>" and/or the "<u>Landlord</u>").

RECITALS

WHEREAS, Tenant has entered into a certain Lease dated ______, 20___ (the "<u>Lease</u>"), with Borrower covering certain premises designated as TRADE NAME (the "<u>Premises</u>") in that certain shopping center located at 830 N. Hayden Meadows in the City of Portland, County of Multnomah, State of Oregon, and commonly known as Hayden Meadows Shopping Center and being more particularly described on <u>Exhibit B</u> attached hereto (the "<u>Property</u>").

WHEREAS, Borrower has granted a first lien interest in the Property and the Premises to Lender by delivery of that certain Deed of Trust, Assignment of Leases, Security Agreement and Fixture Filing dated August 11, 2011 and recorded in the Land Records of Multnomah County, State of Oregon on August 11, 2011 as/in 2011-089273 (the "Mortgage") and an Assignment of Rents and Leases dated August 11, 2011 and recorded in the Land Records of Multnomah County, State of Oregon on August 11, 2011 as/in 2011-089274 (the "Assignment").

WHEREAS, Tenant desires to be assured of continued possession of the Premises under the terms of the Lease and subject to this Agreement and the terms of the Mortgage and the Assignment.

6 – EXHIBIT F: Prohibited/Exclusive Uses PDX\054115\174398\JDG\31707865.5

NOW, THEREFORE, in consideration of the sum of One Dollar (\$1.00) by each party in hand paid to the other, the receipt of which is hereby acknowledged, and in consideration of the mutual promises, covenants, and agreements herein contained, the parties hereto, intending to be legally bound hereby, promise, covenant and agree as follows:

1. <u>Subordination</u>. The Lease and all estates, options (including, without limitation, any purchase options or rights of first refusal to purchase, if any) liens and charges therein contained or created thereunder is and shall be subject and subordinate to the lien and effect of the Mortgage and to all renewals, modifications, consolidations, replacements and extensions thereof, to the full extent of the indebtedness secured thereby.

2. <u>Non-Disturbance</u>. In the event Lender takes possession of the Property by a foreclosure of the Mortgage, or takes a deed in lieu of foreclosure, Lender agrees not to affect or disturb Tenant's right to possession of the Premises in the exercise of Lender's rights so long as Tenant is not in default under any of the terms, covenants or conditions of the Lease and provided Tenant has not commenced a voluntary case under the Federal Bankruptcy Code, had an order for relief in an involuntary case entered against it or taken any action for the purpose of taking advantage of any law relating to the relief of debtors.

3. <u>Attornment</u>. Tenant hereby agrees that in the event of a foreclosure sale or deed in lieu of foreclosure, Tenant will and hereby does attorn to the foreclosure successor so that the Lease and the relationship of Landlord and Tenant shall exist between such foreclosure successor and Tenant; provided, however, that if the foreclosure successor is Lender, its successor or assigns, Lender shall not be:

- a. liable for any act or omission of any prior landlord (including the Borrower); or
- b. subject to any offsets or defenses which Tenant might have against any prior landlord (including the Borrower); Lender acknowledges that its exclusion from liability, offset and defenses set forth in (a) and (b) above shall not apply to actions or omissions of Lender from and after the date it becomes the foreclosure successor; or
- c. bound by any rent or additional rent which Tenant might have paid for more than the current month to any prior landlord (including the Borrower); or
- d. liable for repayment of any security deposit not actually paid to Lender; or
- e. bound by any amendment or modification of the Lease made without Lender's prior written consent; or
- f. bound by any provision in the Lease which obligates the landlord thereunder (i) to construct or complete any building or structure or to make any improvements or to perform any other construction work (including any work necessary to prepare the Premises for Tenant's occupancy) or (ii) to pay to Tenant (or permit application against rent due under the Lease

for) any reimbursement, credit or allowance for construction or build-out performed by Tenant; or

g. bound by any purchase option or right of first refusal contained in the Lease, if any, with respect to the Premises or the Property or any part thereof.

Such attornment shall be deemed effective and self-operative without the necessity of executing any further instrument immediately upon the Lender's or foreclosure successor's succession to the interest of Borrower to the Property.

4. <u>Casualty: Condemnation</u>. The parties hereto hereby agree that notwithstanding anything to the contrary contained in the Lease, the applicable terms, covenants and agreements of the Mortgage shall apply in the event of any casualty to the Premises or the Property or any condemnation or taking by eminent domain of the Premises or the Property.

5. Consent to Assignment of Lease; Payment of Rents. Tenant hereby consents to the Assignment by Borrower to Lender of all of the right, title and interest of Landlord in and to the Lease pursuant to the Assignment. Tenant is hereby advised that said Assignment includes, among other things, the full and complete assignment by Borrower to Lender of all right, power and privilege of Borrower to direct the party to whom rents and other payments under the Lease are to be paid, which right to direct payment is unconditional and unrestricted and may be exercised by Lender at any time, both before and after the occurrence of any default under the Mortgage. Pursuant to such right to direct payment, Lender hereby directs Tenant, until further notification by Lender, to pay all rents and other amounts payable by Tenant under the Lease to Borrower. Upon request by Lender that Tenant pay all rents and other amounts payable by Tenant under the Lease directly to Lender or any other person, Tenant thereafter shall make all such payments directly to Lender or such other person at the address set forth in such request, until further notification by Lender. Borrower hereby releases Tenant from liability for any such rent payments made by Tenant to Lender or such other person pursuant to Lender's request, and agrees that all such payments shall be credited to Tenant under the Lease as if Tenant had made such payments directly to Landlord.

6. Lender Right to Cure Lease Defaults. If Borrower defaults under the Lease, Tenant shall give written notice to Lender specifying the default and specifying the steps necessary to cure the default, and Lender shall be given the opportunity without undertaking Borrower's obligations to cure such default. Lender shall have thirty (30) days after receipt of such notice to cure such default or cause it to be cured, if Lender elects to do so; provided, however, that in the event Lender has begun action to cure the default, but not completed the same within the thirty (30) day period, the Tenant agrees that Lender shall be permitted such time as is reasonably necessary to complete curing such default; and provided further, however, that if the default is such that it cannot practically be cured by Lender without taking possession of the Property, Lender shall be permitted such additional time as necessary to acquire possession of the Property by foreclosure or otherwise, in order to cure such default. During such cure period, Tenant shall not terminate the Lease. Tenant shall also not exercise any other remedy thereunder with respect to such default, except for any rights Tenant has under the Lease to maintain the Premises in a habitable condition.

8 – EXHIBIT F: Prohibited/Exclusive Uses PDX\054115\174398\JDG\31707865.5

7. <u>No Assumption by Lender</u>. Tenant acknowledges and agrees that Lender has not assumed and does not have any obligation or liability under or pursuant to the Lease by reason of the Mortgage or the Assignment until Lender forecloses the Mortgage or accepts a deed-in-lieu of foreclosure, and then Lender shall be obligated under the Lease subject to the terms of this Agreement.

8. <u>Tenant Covenants</u>. Tenant covenants and agrees with Lender that, without the prior written consent of Lender: (a) Tenant will not pay rent under the Lease more than one calendar month in advance of the accrual thereof; (b) Tenant will not amend or modify the Lease (except as set forth in the Lease) or (by agreement with Borrower) terminate the Lease; (c) Tenant will not assign or pledge the Lease or its rights or obligations thereunder except as expressly permitted in the Lease without Landlord's consent; and (d) no waiver by Borrower of any of the obligations of Tenant under the Lease, no consent, approval or election made by Borrower in connection with the Lease and no termination of the Lease by Borrower shall be effective as against Lender.

9. <u>Notices</u>. Tenant shall mail or transmit copies of all written notices (other than routine notices transmitted in the ordinary course of business) it may give Borrower with respect to the Lease to Lender simultaneously with the delivery or mailing of such notices to Borrower. All notices or other communications which are required or permitted hereunder to be given to any party shall be in writing and shall be deemed sufficiently given if delivered personally or by registered or certified mail, return receipt requested, to the address of such party specified below, or to such other address as the addressee may have specified in a notice duly given to the sender as provided herein:

If to Lender, to:	Voya Retirement Insurance and Annuity Company c/o Voya Investment Management, LLC 5780 Powers Ferry Road, NW, Suite 300 Atlanta, Georgia 30327-4349 Attention: Mortgage Asset Management	
If to Tenant, to:	Multnomah County Facilities and Property Management	
	401 N. Dixon Street	
	Portland, Oregon 97227	
Attn: Scott Chur	chill	
If to Borrower, to:	Hayden Meadows	
	c/o TMT Development Co., LLC	
	919 SW Taylor Street, Suite 700	

Portland, OR 97205

10. Miscellaneous.

9 – EXHIBIT F: Prohibited/Exclusive Uses PDX\054115\174398\JDG\31707865.5

- a. This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon. This Agreement may be executed in any number of counterparts and all of such counterparts shall together constitute one and the same instrument.
- b. Tenant hereby acknowledges and agrees that (i) any foreclosure successor shall have the right to assign its rights and obligations under the Lease to any other person to whom the Property is transferred, and upon such assignment such foreclosure successor shall have no further obligation or liability under the Lease, and (ii) the obligations of any foreclosure successor under the Lease shall not be personal obligations of such foreclosure successor, and recourse on such obligations may be had only against the right, title and interest of such foreclosure successor in and to the Property.
- c. Tenant agrees that, within ten (10) days after receipt of request therefor from Borrower or Lender, Tenant will execute and deliver to Borrower and Lender a tenant estoppel certificate stating that, to the best of the Tenant's knowledge: (a) that the Lease is in full force and effect and has not been amended or modified (or stating any such amendment or modification); (b) Borrower is not in default under the Lease (or if such default exists specifying such default), and Tenant has no offsets, defenses or counterclaims against Borrower (or any prior landlord) under the Lease with respect to the enforcement of Tenant's obligations thereunder (or specifying such matters, if they in fact exist); (c) the date to which the minimum rent and any additional rent or other charges payable under the Lease have been paid; and (d) that Tenant is not in default under the Lease (or specifying any such default or event that does exist, and what action Tenant is taking or proposes to take to cure the same).
- d. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the undersigned have executed this Agreement under seal as of the day and year first above written.

LENDER

By: Voya Retirement Insurance and Annuity

Company, a Connecticut Company

WITNESS or ATTEST:

its Authorized Agent

By:	(SEAL)
Name:	
Title:	

BORROWER:

Hayden Meadows, a Joint Venture an Oregon general partnership

Meadows Land Partnership, an Oregon By: general partnership, its Managing Partner

> D Park Corporation, an Oregon By: corporation, its Managing Partner

By: _____ Vanessa Sturgeon, President & CEO

Date:

WITNESS or ATTEST:

TENANT:

WITNESS or ATTEST:

By: Multnomah County, an Oregon political subdivision

By: _____

Name: Deborah Kafoury, Chair

EXHIBIT A

DESCRIPTION OF THE PROPERTY

DELTA MEADOWS, BLOCK 2, LOT 7

2 – EXHIBIT G: SNDA PDX\054115\174398\JDG\31707865.5

EXHIBIT H

DELTA PARK CENTER

Rules and Regulations

1. The rights of each tenant in the common areas of the Premises and/or Center are limited to ingress to and egress from such tenant's premises for the tenant and its employees, licensees and invitees, and no tenant shall use, or permit the use of the common areas for any other purpose. No tenant shall invite to the tenant's premises, or permit the visit of, persons in such numbers or under such conditions as to interfere with the use and enjoyment of any of the facilities of the Premises by any other tenants. No tenant shall encumber or obstruct or permit the encumbrance or obstruction of any of the common areas of the Premises and/or Center. Landlord reserves the right to control and operate the public portions of the Premises and the public facilities as well as facilities furnished for the common use of the tenants, in such manner as it in its reasonable judgment deems best for the benefit of the tenants generally.

2. Admission to the Premises in certain areas and during certain hours may be restricted by Landlord by means of access devices such as keys, entry cards, combination codes and the like. Landlord may require all persons admitted to or leaving the Premises outside of business hours on business days to provide appropriate identification, use a designated access device and to comply with all other Premises security requirements. Each tenant shall be responsible for all persons to whom it issues an access device or discloses an access code and shall be liable to Landlord for all acts or omissions of such persons. Any person whose presence in the Premises at any time shall, in the judgment of Landlord, be prejudicial to the safety, character or reputation of the Building or of its tenants may be denied access to the Building or may be ejected therefrom. During any invasion, riot, public excitement or other commotion, Landlord may prevent all access to the Premises by closing the doors or otherwise for the safety of the tenants and protection of property in the Building. Each tenant shall pay Landlord a refundable deposit in an amount determined by Landlord from time to time for each access device issued to a tenant.

3. Smoking and vaping are prohibited at all times in all common areas of the Premises and/or Center.

4. No tenant shall obtain or accept for use in its premises cleaning or other similar services from any persons reasonably prohibited in writing from furnishing such services.

5. The cost of repairing any damage to the public portions of the Premises, the common areas or the public facilities or to any facilities used in common with other tenants, caused by a tenant or its employees, agents, contractors, licensees or invitees, shall be paid by such tenant.

6. No tenant shall attach awnings or other projections to the outside walls of the Premises. No curtains, blinds, shades or screens, if any, which are different from the standards adopted by Landlord for the Premises shall be attached to or hung in or used in connection with any exterior window or door of the premises of any tenant without the prior written consent of Landlord. All tenants with premises visible from any public portion of the Premises, shall furnish and maintain the Premises in a first-class manner, utilizing furnishings and other decorations

commensurate in quality and style with the furnishings and decor in the public portions of the Premises.

7. No lettering, sign advertisement, notice or object shall be displayed in or on the exterior windows or doors, on the outside of any tenant's premises, or at any point inside any tenant's premises where the same might be visible outside of such premises, without the prior written consent of Landlord. In the event of the violation of the foregoing by any tenant, Landlord may remove the same without any liability, and may charge the expense incurred in such removal to the tenant violating this rule. Interior signs and lettering on doors shall, if and when approved by Landlord, be inscribed, painted or affixed for each tenant by Landlord at the expense of such tenant and shall be of a size, color and style acceptable to Landlord.

8. The windows that reflect or admit light and air into the common areas of the Premises shall not be covered or obstructed by any tenant, nor shall any bottles, parcels or other articles be placed on the windowsills.

9. No showcases or other articles shall be put in front of or affixed to any part of the exterior of the Premises nor placed in the halls, corridors or vestibules.

10. No bicycles, vehicles, animals, fish or birds of any kind shall be brought into or kept in or about the premises of any tenant or the Premises except in areas designated by Landlord.

11. No noise, including, but not limited to, music or the playing of musical instruments, recordings, radio or television, which in the judgment of Landlord, might disturb other tenants in the Premises and/or Center, shall be made or permitted by any tenant. Nothing shall be done or permitted in the premises of any tenant which would impair or interfere with the use or enjoyment by any other tenant of any other space in the Premises and/or Center.

12. No tenant, nor any tenant's contractors, employees, agents, visitors or licensees, shall at any time bring into or keep upon the premises or the Premises and/or Center any inflammable, combustible, explosive or otherwise dangerous fluid, chemical or substance.

13. Each tenant shall, upon the termination of its tenancy, turn over to Landlord all keys of stores, offices and toilet rooms, either furnished to, or otherwise procured by, such tenant, and in the event of the loss of any keys furnished by Landlord, such tenant shall pay to Landlord the cost thereof.

14. All removals, or the carrying in or out of any safes, freight, furniture, packages, boxes, crates, trash and rubbish, or any other object or matter of any description must take place during such hours and in such areas, and in such manner as Landlord or its agent may reasonably determine from time to time. The person employed to move safes and other heavy objects shall be reasonably acceptable to Landlord and, if so, required by law, shall hold a Master Rigger's or comparable license. Arrangements will be made by Landlord with any tenant for moving large quantities of furniture and equipment into or out of the Premises. All labor and engineering costs incurred by Landlord in connection with any moving specified in this rule, including a reasonable charge for overhead and profit, shall be paid by Tenant to Landlord, on demand.

15. Landlord reserves the right to inspect all objects and matter to be brought into the Premises and to exclude from the Premises all objects and matter which violate any of these Rules and Regulations or the Lease of which this Exhibit is a part. Landlord may require any person leaving the Premises with any package or other object or matter to submit a pass listing such package or object or matter from the tenant from whose premises the package or object or matter is being removed, but the establishment and enlargement of such requirement shall not impose any responsibility on Landlord for the protection of any tenant against the removal of property from the premises of such tenant. Landlord shall in no way be liable to any tenant for damages or loss arising from the admission, exclusion or ejection of any person to or from the Premises under the provisions of this Rule or of Rule 2 hereof.

16. No tenant shall occupy or permit any portion of its premises to be occupied as an office for secretarial or word processing services, except for secretarial and word processing services that are ancillary to the tenant's primary use, without the prior written consent of Landlord. No tenant shall use its premises or any part thereof for the possession, storage, manufacture, or sale of liquor, narcotics, drugs, tobacco in any form, or as a barber, beauty or manicure shop, or as a school (excluding employee training incidental to the Use of Premises set forth in the Basic Lease Information).

17. Landlord shall have the right to prohibit any advertising which mentions the Premises and/or Center.

18. Landlord shall have the right to reasonably prescribe the weight and position of safes and other objects of excessive weight, and no safe or other object whose weight exceeds the lawful load for the area upon which it would stand shall be brought into or kept upon any tenant's premises. If, in the reasonable judgment of Landlord, it is necessary to distribute the concentrated weight of any heavy object, the work involved in such distribution shall be done at the expense of the tenant and in such manner as Landlord shall determine.

19. No machinery or mechanical equipment other than ordinary portable business machines may be installed or operated in any tenant's premises without Landlord's prior written consent which consent shall not be unreasonably withheld or delayed, and in no case (even where the same are of a type so excepted or as so consented to by Landlord) shall any machines or mechanical equipment be so placed or operated as to disturb other tenants, but machines and mechanical equipment which may be permitted to be installed and used in a tenant's premises shall be so equipped, installed and maintained by such tenant as to prevent any disturbing noise, vibration or electrical or other interference from being transmitted from such premises to any other area of the Premises and/or Center.

20. Landlord, its contractors, and their respective employees, shall have the right to use, without charge therefor, all light, power and water in the premises of any tenant while cleaning or making repairs or alterations in the premises of such tenant.

21. No premises of any tenant shall be used for lodging or sleeping or for any immoral or illegal purpose.

22. The requirements of tenants will be attended to only upon application at the office of the Center. Employees of Landlord shall not perform any work or do anything outside of the regular duties, unless under special instructions from Landlord.

23. Canvassing, soliciting and peddling in the Premises and/or Center are prohibited, and each tenant shall cooperate to prevent the same.

24. No tenant shall cause or permit any unusual or objectionable odors to emanate from its premises which would annoy other tenants or create a public nuisance. No cooking shall be done in the premises of any tenant except as is expressly permitted in such tenant's Lease.

25. Nothing shall be done or permitted in any tenant's premises, and nothing shall be brought into or kept in any tenant's premises, which would impair or interfere with any of the Center's services or the proper and economic heating, cleaning or other servicing of the Center or the premises, of the use or enjoyment by any other tenant of any other premises, nor shall there be installed by any tenant any ventilating, air conditioning, electrical or other equipment of any kind which, in the reasonable judgment of Landlord, would cause any such impairment or interference.

26. No acids, vapors or other materials shall be discharged or permitted to be discharged into the waste lines, vents or flues of the Premises and/or Center which may damage them. The water and wash closets and other plumbing fixtures in or serving any tenant's premises shall not be used for any purpose other than the purposes for which they were designed or constructed, and no sweepings, rubbish, rags, acids or other foreign substances shall be deposited therein. All damages resulting from any misuse of the fixtures shall be borne by the tenants who, or whose servants, employees, agents, visitors or licensees shall have caused the same. Any cuspidors, containers, or receptacles used as such in the premises of any tenant or for garbage or similar refuse, shall be emptied, cared for and cleaned by and at the expense of such tenant.

27. All entrance doors in each tenant's premises shall be left locked and all windows shall be left closed by the tenant when the tenant's premises are not in use.

28. Landlord reserves the right to rescind, alter or waive any rule or regulation at any time prescribed for the Premises and/or Center when, in its reasonable judgment, it deems it necessary, desirable or proper for its best interest and for the best interests of the tenants generally, and no alteration or waiver of any rule or regulation in favor of one tenant shall operate as an alteration or waiver in favor of any other tenant. Landlord shall not be responsible to any tenant for the nonobservance or violation by any other tenant of any of the rules and regulations at any time prescribed for the Premises and/or Center.

EXHIBIT I

TENANT CERTIFICATE AND AGREEMENT

TO: Voya Investment Management LLC ("VIM") and to the life insurance company affiliate or affiliates of VIM which are making the loan secured by the "Mortgage," defined below ("Lender") having a mailing address of c/o Voya Investment Management LLC, 5780 Powers Ferry Road, NW, Suite 300, Atlanta, Georgia 30327-4349, Attn: Mortgage Loan Servicing Department, together with any participants, successors and/or assigns of the foregoing.

THIS IS TO CERTIFY THAT:

The undersigned has been advised that Lender made a loan secured by a first mortgage,				
deed of trust or deed to secure debt, security agreement and assignment of rents and leases (the				
"Mortgage") on those certain premises commonly known as (the				
" <u>Premises</u> "), in which the undersigned currently occupies approximately square feet of space				
under a o	dated, 20 (the " <u>Lease</u> ") between			
the undersigned ("Tenant") and	,			
a ("Landlord"). At Lender's request, Tenant hereby certifies as follows:				

- 1. Tenant is the holder of the lessee's interest under the Lease and is in sole possession of the Premises. Tenant has not subleased all or any part of the Premises or assigned the Lease or otherwise transferred its interest in the Lease.
- 2. The Lease, is in full force and effect, constitutes the entire agreement between Landlord and Tenant, and has not been modified, changed, altered, amended or supplemented in any respect (except as may be indicated at the end of this Paragraph 2) and is the only lease or agreement between Tenant and Landlord affecting said Premises. Tenant will not enter into any material modification of the Lease without the prior written consent of Lender.

- 4. Tenant has made no agreements with Landlord or its agents or employees concerning, and has no right to, free rent, partial rent, rebate of rental payments or any other type of rental concession (except as may be indicated at the end of this Paragraph 4). If none, state "none."
- 5. Tenant is current in payment of all fixed rent and other charges due to be paid under the

^{3.} The Tenant has accepted and now occupies the Premises and is and has been open for business in the Premises since ______, 19_/20__. The conduct of such business falls within the uses stipulated in the Lease. The Lease term commenced on , 19_/20__ and is currently scheduled to expire on _____. If there are any rights of extension or renewal remaining under the terms of the Lease, the same have not, as of the date of this Tenant Estoppel Certificate, been exercised.

Lease, with minimum rent paid in full for the period ending ______. The monthly minimum (i.e. fixed) rent is \$______. No rent or other sum payable under the Lease is being paid in arrears. No rent or other sum payable under the Lease has been paid in advance of the due date thereof, and Tenant hereby agrees with Lender that it shall not pay any minimum rent or any other sum due or to be paid under the Lease more than thirty (30) days in advance of the due date thereof. A security deposit of \$______ has been paid to the Borrower as Landlord under the Lease.

- 6. All of the obligations on the part of Landlord under the Lease to construct and deliver the Premises and any common areas including parking have been satisfactorily performed by Landlord and all obligations for the performance of any construction, work or installation of any equipment, have been carried out. Tenant has no claim or knowledge of any claim against the holder of Landlord's interest on account of any default or failure of performance under the Lease. As of the date hereof, Tenant is entitled to no offset or deduction in rent and has no claim or defense to the payment of any obligation under the Lease.
- 7. Any and all concessions payments, credits, allowances or abatements for tenant improvement work due Tenant under the Lease has been paid by the Landlord or received by Tenant except as follows: If none, state "none."
- 8. No notice of default under the Lease has been given by Tenant to Landlord; no notice of default has been received by Tenant from Landlord; and, to the best of Tenant's knowledge, information and belief, (a) no condition exists which might give rise to a default under the Lease, and (b) no claim of any nature exists by Tenant under the Lease against Landlord or the Premises.
- 9. Neither Tenant nor, to the best knowledge of Tenant, Landlord is in violation of any exclusive use, radius or non-competition clause in the Lease or in any Lease of any space in the Property.
- 10. The Lease contains and Tenant has no outstanding options or rights of first refusal to purchase the Premises demised by the Lease or any part thereof or the real property of which such premises are a part.
- 11. No actions, whether voluntary or otherwise, are pending against Tenant under the bankruptcy or other insolvency laws of the United States or of any state thereof.
- 12. This Lease is, and at all times shall be, subordinate to the Mortgage (as the same may be modified, amended, consolidated, supplemented, increased, renewed, extended, and/or replaced).
- 13. Tenant agrees that in the event of a default by Landlord under the Lease, Tenant shall provide Lender with thirty (30) days notice and right (but not the obligation) to cure provided; however, that if Lender elects to cure and such cure cannot be completed within

said thirty (30) day period and Lender has diligently commenced such cure, Lender shall have a reasonable time thereafter to cure.

14. This certification is made knowing that Lender shall rely upon the truth of this certificate. This certificate may also be relied upon by Landlord and Landlord's counsel, Lender's counsel and any title company and/or title agent issuing title insurance with respect to the Mortgage.

Dated effective as of the _____day of ______, 20__.

TENANT:

By:_____

Printed Name:

Title:_____

EXHIBIT J

Option Addendum

This Exhibit is an integral part of the Lease. In the event of any conflict between the terms of this Exhibit and the terms of the Lease, the terms of this Exhibit shall control.

1. <u>Option to Renew</u>.

(a) <u>Grant of Option</u>. Landlord hereby grants to Tenant the option to renew this Lease for one (1) successive additional term (a "Renewal Term") of one (1) year. If this option is exercised, references in the Lease to the Lease Term shall include the Renewal Term.

(b) <u>Exercise</u>. Tenant must exercise the option to renew, if at all, by giving Landlord written notice of such exercise not less than nine (9) months prior to expiration of the then current Term. Upon exercise of the option to renew, the Lease Term shall be extended through the expiration date of the applicable Renewal Term on the same terms and conditions as contained herein, except that (i) there shall be no further right to renew the Lease Term beyond the one (1) Renewal Term, and (ii) Base Rent during each Renewal Term shall be the fair market rental value of the Premises determined pursuant to this Section, but in no event less than the previous year's Base Rent. Fair market rental value will be determined by reference to comparable space in the market in which the Premises are located, taking into account all relevant factors.

(c) Renewal Term Base Rent. Base Rent for any Renewal Term shall be established by agreement of the parties or, if they cannot agree by 120 days prior to the commencement date of the Renewal Term, then Base Rent for the Renewal Term shall be the fair market rental value of the Premises established pursuant to the terms of this Section. If the parties are not able to agree upon the then fair market rental value of the Premises on or before the 120th day prior to the commencement of the Renewal Term, then not later than the 90th day prior to the commencement of the Renewal Term, each party shall submit to the other a written final offer setting forth the then fair market rental value of the Premises. The written notice of the fair market rental value shall also be accompanied by a list of three qualified MAI appraisers, experienced in determining fair market rental values of similar commercial properties in the market where the Premises are located. Each party shall have the right to strike one candidate from the list submitted by the other party. The resulting four names shall then be placed in a vessel and one MAI appraiser shall be selected at random. The MAI appraiser so selected (the "Appraiser") need not necessarily conduct an appraisal, but rather shall, using whatever means (including an appraisal) the Appraiser deems reasonable, select, as between the two final offers submitted by the parties, that final offer that sets forth a fair market rental value that is closest to the actual fair market rental value as the same may be determined by the Appraiser using whatever means (including an appraisal) the Appraiser deems reasonable. The decision of the Appraiser shall be final and binding on the parties and shall be used to establish the Base Rent for the Renewal Term. The cost of the Appraiser's fee shall be paid by the party whose final offer was not selected by the Appraiser as the then fair market rental value.

(d) <u>Rights Personal</u>. The option to renew is personal to the original Tenant named herein and may not be exercised by any sublessee or assignee. The option to renew shall

be effective only if (i) Tenant has not sublet any portion of the Premises and if Tenant is then actually occupying all of the Premises, (ii) all guaranties previously executed are in full force and effect, and (iii) no event of default has occurred under this Lease, nor has any event occurred that, with the giving of notice or the passage of time, or both, would constitute an event of default hereunder, either at the time of exercise of the option or the time of commencement of the Renewal Term; provided if Tenant exercises the option and a subsequent event of default occurs, the damages to which Landlord is entitled will include damages related to the Renewal Term.

(e) <u>Amendment to Lease</u>. If Tenant exercises the option to renew this Lease, Landlord and Tenant shall execute and deliver an amendment to this Lease setting forth such fact and the amount of Base Rent for the Renewal Term.