

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON**

RESOLUTION NO. 2017-081

Declaring a Portion of the Southeast Health Center Temporarily Surplus; and Approving a Subsidized Lease.

The Multnomah County Board of Commissioners Finds:

- a. The County is not using, and does not intend at this time to use, approximately 1,312 square feet of the general use area of the lower level at the Southeast Health Center, 3653 SE 34th Ave, Portland, OR 97202 ("Property"). This area can be put to beneficial use by the County's community partner, Northwest Regional Primary Care Associates (NWRPCA), with whom the County has an existing relationship and former lease at a different location. Accordingly, Per FAC-3, Sec. IV, it is appropriate to declare this Property surplus and offer it for lease.
- b. The use of this space by NWRPCA supports the County's commitment to serving those residents most in need by increasing the pool of qualified physicians serving in the safety net. Accordingly, per FAC-3, Sec. IV D., a subsidized lease is appropriate.
- c. All revenue from this lease will go back to the Health Department and this lease will not cause any negative service impact to existing tenants of the Southeast Health Center or to existing services provided through the Center.
- d. It is in the best interests of the County to execute a lease substantially in conformance with the lease attached hereto as Exhibit 1.

The Multnomah County Board of Commissioners Resolves:

1. The Property is declared surplus for the term of a lease executed in substantial conformance with the lease attached hereto as Exhibit 1.
2. The Chair is authorized to execute a subsidized lease substantially in conformance with the lease attached hereto as Exhibit 1; and to execute renewals or amendments of the same without further Board action.

ADOPTED this 28th day of September, 2017.



BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Deborah Kafoury, Chair

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

By 
Jed Tomkins, Senior Assistant County Attorney

Submitted by: Sherry Swackhamer, Director, Department of County Assets.

Exhibit 1

LEASE

Date: August ___, 2017

Between: Multnomah County, Oregon (“Landlord”)
Facilities and Property Management
Attn: Madeline Herrle, Sr. Property Specialist
401 N. Dixon Street
Portland, OR 97227
Phone (503) 988-4128

AND: Northwest Regional Primary Care Associates (“Tenant”)
200 W. Thomas St, Suite 330
Seattle, WA 98119
Phone: (206) 783-3004

Landlord leases to Tenant and Tenant lease from Landlord the following described property (“Premises”) on the following terms :

Approximately 1,312 square feet of space, as shown Exhibit A of this Lease, in the Building known as the “Southeast Health Center” located at 3653 SE 34th Avenue, Portland, OR 97202-3034 (separately and collectively, this Building and land are the “Real Property”).

Section 1: Occupancy.

1.1 Term. The Term of this Lease shall commence upon the later of August 14 or the day Landlord provides Tenant notice of Substantial Completion of the improvements to the Premises set forth in Exhibit B of this Lease (“Commencement Date”) and continue for 60 months following the Commencement Date, unless sooner terminated as hereinafter provided.

1.2 Delivery and Acceptance of Possession. Landlord will deliver the Premises to Tenant, for Tenant’s possession and use thereof during the Term, in good condition on the Commencement Date. By accepting possession of the Premises, Tenant accepts the Premises “AS IS, WHERE IS” and as: suitable for Tenant’s intended use; in good and sanitary operating order, condition, and repair; and without representation or warranty by Landlord of the condition, use, or occupancy that may be made thereof.

1.3 Common Areas. Subject to the terms of this Lease, during the Term, Tenant shall have the nonexclusive right to use the Common Areas. “Common Areas” means all areas and facilities outside the Premises and within the Real Property for the nonexclusive use of Landlord, Tenant, and other tenants of the Real Property and their respective employees, guests, and invitees.

1.4 Parking. None provided.

Section 2: Rent.

2.1 Base Rent. During the Term, Tenant shall pay to Landlord as Base Rent the sum of \$1,792.00 per month commencing on the Commencement Date. The Parties understand that this Base Rent rate is lower than the rate Landlord charges its internal program users and is, therefore, deemed "Subsidized."

2.2 Rent Adjustment. During the Term, Base Rent is subject to annual adjustment each July 1. Landlord shall provide Tenant notice by the June 15 that precedes any July 1 adjustment.

2.3 Additional Rent. Any other sum that Tenant is required to pay to Landlord shall be considered Additional Rent. Separately and collectively, Base Rent and Additional Rent are "Rent."

2.3.1 Tenant's Additional Rent. Tenant agrees to pay, as Additional Rent, to Landlord the sum of \$15,000.00 ("Tenant's Additional Rent"). Tenant may pay Tenant's Additional Rent in monthly installments of \$250.00 per month commencing on the Commencement Date; provided that Tenant shall pay any remaining amount of Tenant's Share in a single, lump sum payment upon expiration of this Lease or earlier termination under this Lease.

2.4 Payment of Rent. Except as otherwise provided, Rent shall be payable: on the first day of each month in advance, provided that the first payment shall be made on the Commencement Date; in lawful money of the United States of America; without deduction or offset, prior notice or demand; and payable to "Multnomah County" at the address for Landlord stated above or at such other place as may be designated by Landlord.

Section 3. Use of the Premises.

3.1 Permitted Use. Subject to the terms of this Lease, during the Term, Tenant shall use the Premises for enrolled student classroom instruction purposes, which shall not include participation by or inclusion of patients, clients or any other person who is not an enrolled student or instructor thereof, and for no other purpose without the written consent of Landlord ("Permitted Use").

3.2 Restrictions on Use. In addition to all other restrictions on use of property set forth in this Lease, with respect to Tenant's use of the Premises, Common Areas, and any other portion of the Real Property, Tenant shall:

- (1) Perform the Permitted Use only during customer business hours of operation of the Southeast Heath Center.
- (2) Conform to all applicable laws, rules and other regulations, including Landlord's rules for the Real Property; and shall correct, at Tenant's expense, any failure of compliance created through or arising from Tenant's fault or by reason of Tenant's use, but Tenant shall not be required to make any structural changes to effect such compliance.
- (3) Refrain from any activity that would make it impossible to insure the Premises against casualty, would increase the insurance rate, or would prevent Landlord from taking advantage of any ruling of the Oregon Insurance Rating Bureau, or its successor, allowing Landlord to obtain reduced premium rates for long-term fire insurance policies, unless Tenant pays the additional cost of the insurance.

- (4) Refrain from any use that would be reasonably offensive to other tenants or owners or users of neighboring premises or that would tend to create a nuisance or damage the reputation of the Premises.
- (5) Refrain from loading the electrical system or floors beyond the point considered safe by a competent engineer or architect.
- (6) Refrain from making any marks on or attaching any sign, insignia, antenna, aerial, or other device to the exterior or interior walls, windows, or roof of the Premises without the written consent of Landlord, which shall not be unreasonably withheld. Landlord reserves the right to perform work associated with any mark or attachment described in this paragraph to which Landlord consents and Tenant shall reimburse Landlord for such work.

3.2.1 Hazardous Substances. Tenant shall not cause or permit any Hazardous Substance to be spilled, leaked, disposed of, or otherwise released on or under the Premises. Tenant may use or otherwise handle on the Premises only those Hazardous Substances typically used or sold in the prudent and safe operation of the permitted use specified in Section 3.1. Tenant may store such Hazardous Substances on the Premises only in quantities necessary to satisfy Tenant's reasonably anticipated needs. Tenant shall comply with all Environmental Laws and exercise the highest degree of care in the use, handling, and storage of Hazardous Substances and shall take all practical measures to minimize the quantity and toxicity of Hazardous Substances used, handled or stored by Tenant on the Premises. Upon the expiration or termination of this Lease, Tenant shall remove all Hazardous Substances it brings to the Premises from the Premises. The term Environmental Law shall mean any federal, state, or local statute, regulation or ordinance or any judicial or other governmental order pertaining to the protection of health, safety or the environment. The term Hazardous Substance shall mean any hazardous, toxic, infectious or radioactive substance, waste, and material as defined or listed by any Environmental Law and shall include, without limitation, petroleum oil and its fractions and medical waste.

3.3 Non-Exclusive Use. Tenant's use of the Premises is non-exclusive, not to exceed thirty hours per week. Tenant will inform Landlord in advance written notice of scheduled use of the Premises. Tenant's right to occupy the Premises shall cease at the end of daily customary business hours of operation of the Southeast Health Center and Landlord retains the right to use the Premises when not in use by the Tenant.

Section 4. Repairs and Maintenance.

4.1 Landlord's Obligations. The following shall be the responsibility of Landlord:

- (1) Repairs and maintenance of the roof and gutters, exterior walls (including painting), bearing walls, all structural aspects and components of the building, floor slabs, and foundation.
- (2) Repair of sidewalks, driveways, curbs, parking areas, and areas used in common by Tenant and Landlord or tenants of other portions of the same building.
- (3) Repair and maintenance of all water, sewage, gas, and electrical services.
- (4) Repair of the heating and air conditioning system and currently existing mechanical and life-safety systems.

4.2 Tenant's Obligations. The following shall be the responsibility of Tenant:

- (1) Any repairs necessitated by the negligence of Tenant, its agents, employees, and invitees, except as provided in Section 6.4 dealing with waiver of subrogation, but including repairs that would otherwise be the responsibility of Landlord under Section 4.1
- (2) All other repairs to the Premises which Landlord is not required to make under Section 4.1.
- (3) Restoration of the Premises to its condition prior to the Tenant's occupancy under this lease, at Landlord's discretion, excepting normal wear and tear.

4.3 Landlord's Interference with Tenant. In performing any repairs, replacements, alterations, or other work performed on or around the Premises, Landlord shall not cause unreasonable interference with use of the Premises by Tenant. Tenant shall have neither right to an abatement of rent nor any claim against Landlord for any inconvenience or disturbance resulting from Landlord's activities performed in conformance with the requirement of this provision.

4.4 Inspection of Premises. Landlord shall have the right to inspect the Premises at any reasonable time or times to determine the necessity of repair. Whether or not such inspection is made, the duty of Landlord to make repairs shall not mature until a reasonable time after Landlord has received from Tenant written notice of the repairs that are required.

Section 5. Alterations

5.1 Alterations Prohibited. Tenant shall make no improvements or alterations on the Premises of any kind without first obtaining Landlord's written consent, which consent shall not be unreasonably withheld or delayed. All alterations shall be made in a good and workmanlike manner, and in compliance with all applicable laws and building codes. Landlord reserves the right to perform work associated under this section and Tenant shall reimburse Landlord for such work within thirty (30) days of invoice from the Landlord.

5.2 Alterations Required. The cost of any improvements or alterations as shown on Exhibit "B" required prior to Tenant's right to possession will be reimbursed within thirty (30) days of invoice from Landlord.

5.3 Ownership and Removal of Alterations. All improvements and alterations performed on the Premises by either Landlord or Tenant shall be the property of Landlord when installed unless a written statement of Landlord's consent, which may occur through Landlord's signed approval of a work sheet, specifically provides otherwise. Improvements and alterations installed by

Tenant shall, at Landlord's option and at Tenant's expense, be removed by Tenant and the Premises restored by Tenant, unless a written statement of Landlord's consent specifically provides otherwise.

Section 6. Insurance; Mutual Waiver of Claims; Waiver of Subrogation.

6.1 Insurance Required. Landlord shall keep the Premises insured at Landlord's expense against fire and other risks covered by a standard fire insurance policy with an endorsement for extended coverage. Tenant shall bear the expense of any insurance insuring the property of Tenant on the Premises against such risks but shall not be required to so insure.

6.2 Liability Insurance. Before going into possession of the Premises, Tenant shall procure and thereafter during the term of the Lease shall continue to carry the following insurance at Tenant's cost: commercial general liability policy (occurrence version) in a responsible company with coverage for bodily injury and property damage liability, personal and advertising injury liability, and medical payment with a general aggregate limit of not less than \$1,000,000 and a per occurrence limited of not less than \$1,000,000. Such insurance shall cover all risks arising directly or indirectly out of Tenant's activities on or any condition of the Premises whether or not related to an occurrence caused or contributed to by Landlord's negligence. Such insurance shall protect Tenant against the claims of Landlord on account of the obligations assumed by Tenant under Section 10.2, and shall name Landlord as an additional insured.

6.3. Insurance Documentation. A certificate evidencing compliance with the insurance requirements in Section 6.2 of this Lease and bearing endorsements requiring thirty (30) days' written notice to Landlord prior to any change or cancellation shall be furnished to Landlord prior to Tenant's occupancy of the property.

6.4 Mutual Waiver of Claims. Notwithstanding any other provision of this Lease to the contrary, neither party to this Lease shall be liable to the other (or to the other's officers, directors, partners, members, managers, employees, agents, concessionaires, licensees, invitees, successors, or assigns) for any loss or damage caused by any risk covered by insurance described in this Lease, whether or not actually obtained by the applicable party, and each party to this Lease hereby waives any rights of recovery against the other (and the other's officers, directors, partners, members, managers, employees, agents, concessionaires, licensees, invitees, successors, and assigns) for injury or loss on account of such covered risks.

6.4 Waiver of Subrogation. All policies of property insurance required to be carried in this Lease by either party to this Lease shall include a clause or endorsement whereby such party's insurer waives all right of subrogation, and all rights based upon an assignment from its insured, against the other party (and the other's officers, directors, partners, members, managers, employees, agents, concessionaires, licensees, invitees, subtenants, successors, and assigns) in connection with any loss or damage thereby insured against; provided that the foregoing reference shall not be deemed a consent by Landlord to any sublease of the Premises. If any policy of insurance requires the agreement of a party's insurer as a condition to the effectiveness of this mutual waiver of subrogation, such party agrees to make a commercially reasonable effort to obtain such agreement.

Section 7. Taxes.

7.1 Property Taxes. Tenant shall pay as due all taxes on its personal property located on the Premises. Tenant shall, upon invoice from Landlord, reimburse Landlord for all real property taxes

levied against the Premises. As used herein, real property taxes include any assessment, fee, or charge relating to the ownership, use, or rental of the Premises, other than taxes on net income of Landlord.

7.2 Special Assessments. If an assessment for a public improvement is made against the Premises, Landlord may elect to cause such assessment to be paid in the maximum number of installments allowed by law, in which case all of the installments payable with respect to the Lease term shall be treated the same as general real property taxes for purposes of Section 7.1 .

7.3 Exemption. Tenant is entitled to and shall apply for tax exemption under Oregon law. To the extent Tenant obtains such an exemption, Tenant shall not be liable for payment to Landlord of any additional sum for real property taxes, but shall remain liable for payment of any special assessments against the Premises for which Tenant does not receive an exemption. 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.

7.4 Contest of Taxes. Tenant shall be permitted to contest the amount of any tax or assessment as long as such contest is conducted in a manner that does not cause any risk that Landlord's interest in the Premises will be foreclosed for nonpayment. Landlord shall cooperate in any reasonable manner with such contest by Tenant.

7.5 Proration of Taxes. Tenant's share of real property taxes and assessments for the years in which this Lease commences or terminates shall be prorated based on the portion of the tax year that this Lease is in effect.

Section 8. Services and Utilities.

8.1 Landlord and Tenant Responsibilities. Landlord shall furnish and pay for utilities and janitorial service to the Premises in accordance with Landlord's standard for such utilities and services furnished to other areas of the Southeast Health Center Building. When there are any additional charges for electricity, gas, heat, janitorial services within the leased Premises, telephone or other utilities of any kind furnished to the Premises, Tenant shall pay promptly when due. If Landlord receives and pays bills for any such additional utilities consumed by Tenant, its agents, employees or invitees to the Premises, Tenant shall reimburse Landlord upon demand. In no event shall Tenant overload the electrical circuits from which Tenant obtains current.

8.2 Recycling Materials. Landlord shall support the policy for recycling materials as provided in ORS 279.560 to the extent possible by providing adequate collection areas and storage facilities for office recycling programs when recycling services are available.

Section 9. Damage and Destruction.

9.1 Damage and Destruction. If the Premises are partly or wholly damaged, repair or restoration are at the Landlord's sole discretion. If the Landlord elects not to repair or restore, the Lease will terminate as of the date of the damage or destruction by notice given by the Landlord to the Tenant in writing not more than forty-five (45) days following the date of damage. In such event all rights and obligations of the parties shall cease as of the date of termination, and Tenant shall be entitled to the reimbursement of any prepaid amounts paid by Tenant and attributable to the anticipated term.

9.2 Rent Abatement. Rent shall be abated during the repair of any damage to the extent the Premises are untenantable, except that there shall be no rent abatement where the damage occurred as the result of the fault of Tenant.

Section 10. Liens; Liability; Indemnity.

10.1 Liens. Except with respect to activities for which Landlord is responsible, Tenant shall pay as due all claims for work done on and for services rendered or material furnished to the Premises, and shall keep the Premises free from any liens. If Tenant fails to pay any such claims or to discharge any lien, Landlord may do so and collect the cost as Additional Rent. Such action by Landlord shall not constitute a waiver of any right or remedy which Landlord may have on account of Tenant's default.

10.2 Indemnification. To the fullest extent permitted by law, Tenant shall defend, save, hold harmless, and indemnify Landlord and its officers, employees and agents from and against all claims, suits, actions, losses, damages, liabilities, costs and expenses of any nature whatsoever, including attorneys' fees, resulting from, arising out of, or relating to all acts or omissions of Tenant or its officers, employees, subcontractors, or agents under or arising from or in connection with this Lease. Tenant shall have control of the defense and settlement of any claim, suit, or action that is subject to this section; however, neither Tenant nor any attorney engaged by Tenant shall defend the claim, suit, or action in the name of Landlord or any department of Landlord, nor purport to act as legal representative of Landlord or any of its departments, without first receiving from the Multnomah County Attorney's Office authority to act as legal counsel for Landlord; nor shall Tenant settle any claim, suit, or action on behalf of Landlord or any of its departments without the approval of the Multnomah County Attorney's Office. Landlord may, at its election, assume its own defense and settlement.

10.3 Statutory Limit on Obligation. Landlord's obligations under this Lease, and any Landlord liabilities arising from this Lease, are subject to and limited under the Oregon Constitution, including but not limited to Article XI, Section 10 therein, as well as the Oregon Tort Claims Act (ORS 30.260 to 30.300), including but not limited to being 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.

Section 11. Quiet Enjoyment; Mortgage priority.

11.1 Landlord's Warranties.

- (1) Landlord warrants that it is the owner of the Premises and has the right to lease them, Landlord will defend Tenant's right to quiet enjoyment of the Premises from the lawful claims of all persons during the Lease term.
- (2) Landlord affirms that the Premises, including any common area within the real property in which the Premises are situated, complied with all applicable regulatory and building codes requirement at the date of construction.

Section 12. Assignment and Subletting. No part of the Premises may be assigned, mortgaged, or subleased, nor may a right of use of any portion of the property be conferred on any third person by any other means, without the prior written consent of Landlord. This provisions shall apply to all transfers by operation of law. No consent in one instance shall prevent the provision from applying to a subsequent instance. Landlord may withhold or condition such consent in its sole and arbitrary discretion. Landlord shall consent to a transaction covered by this provision when withholding such consent would be Lease—MultCo/NWRPCA

unreasonable in the circumstances. Landlord shall not unreasonably delay consent and shall give consent under circumstances where withholding it shall be unreasonable.

Section 13. Default. The following shall be events of default:

13.1 Default in Rent. Failure of Tenant to pay rent or any other charge within ten (10) days after written notice that it is due.

13.2 Default of Other Covenants. Failure of Tenant to comply with any term or condition or fulfill any obligation of the Lease (other than the payment of rent or other charges) within twenty (20) days after written notice by Landlord specifying the nature of the default with reasonable particularity. If the default is of such a nature that it cannot be completely remedied within the twenty (20) day period, this provision shall be complied with if Tenant begins correction of the default within the twenty (20) day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable.

13.3 Insolvency. Insolvency of Tenant; an assignment by Tenant for the benefit of creditors; the filing by Tenant of a voluntary petition in bankruptcy; an adjudication that Tenant is bankrupt or the appointment of a receiver of the properties of Tenant; the filing of any involuntary petition of bankruptcy and failure of Tenant to secure a dismissal of the petition within thirty (30) days after filing; attachment or or the levying of execution on the leasehold interests and failure of Tenant to secure discharge of the attachment or release of the levy of execution within ten (10) days shall constitute a default. If the Lease has been assigned, the events of default so specified shall apply only with respect to the one then exercising the right of Tenant under the Lease.

Section 14. Remedies on Default. In the event of default by Tenant, the Lease may be terminated at the option of Landlord by written notice to Tenant. Whether or not the Lease is terminated by the election of Landlord, Landlord shall be entitled to pursue any remedies available to Landlord under applicable law.

Section 15. Surrender at Expiration.

15.1 Condition of Premises. Upon expiration of the Lease term or earlier termination under this Lease, Tenant shall deliver all keys to Landlord and surrender the Premises in first-class condition and broom clean. Alterations constructed by Tenant with permission from Landlord shall not be removed or restored to the original condition unless the terms of permission for the alteration so require. Depreciation and wear from ordinary use for the purpose for which the Premises are leased shall be excepted, but repairs for which Tenant is responsible shall be completed to the latest practical date prior to such surrender. Tenant's obligations under this section shall be subordinate to the provisions of Section 9 relating to destruction.

15.2 Fixtures.

- (1) All fixtures placed upon the Premises during the term, other than Tenant's trade fixtures, shall, at Landlord's option, become the property of Landlord. If Landlord so elects, Tenant shall remove any or all fixtures that would otherwise remain the property of Landlord, and shall repair any physical damage resulting from the removal. If Tenant fails to remove such fixtures, Landlord may do so and charge the cost to Tenant with interest at the legal rate from the date of expenditure. Tenant shall be allowed to use furnishings and fixtures within the leased space at the time the Lease is executed. Landlord shall not be responsible for the repair and/or

replacement of any of the items Tenant chooses to use. Landlord's furnishings and fixtures shall remain Landlord's property at the expiration of the Lease.

- (2) (2) Prior to expiration or other termination of the lease term, Tenant shall remove all furnishings, furniture and trade fixtures that remain its property. If Tenant fails to do so, this shall be an abandonment of the property, and Landlord may retain the property and all rights of Tenant with respect to it shall cease or, by notice in writing given to Tenant within twenty (20) days after removal was required, Landlord may elect to hold Tenant to its obligation of removal. If Landlord elects to require Tenant to remove, Landlord may effect a removal and place the property in public storage for Tenant's account. Tenant shall be liable to Landlord for the cost of removal, transportation to storage, and storage, with interest at the legal rate on all such expenses from the date of expenditure by Landlord.

15.3 Holdover.

- (1) If Tenant does not vacate the Premises at the time required, Landlord shall have the option to treat Tenant as a tenant from month to month, subject to all of the provisions of this Lease except the provisions for terms and renewal and rental rate, which Landlord may increase commensurate with increases in operating and maintenance expenses for the Premises. Failure of Tenant to remove fixtures, furniture, furnishings, or trade fixtures that Tenant is required to remove under this Lease shall constitute a failure to vacate to which this section shall apply if the property not removed will substantially interfere with occupancy of the Premises by another tenant or with occupancy by Landlord for any purpose including preparation for a new tenant.
- (2) If a month to month tenancy results from a holdover by Tenant under Section 15.3, the tenant shall be terminable at the end of any monthly rental period on written notice from Landlord given not less than ten (10) days prior to the termination which shall be specified in the notice. Tenant waives any notice that would otherwise be provided by law with respect to a month to month tenancy.

Section 16. Miscellaneous.

16.1 Nonwaiver. Waiver by either party of strict performance of any provision of this Lease shall not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision.

16.2 Notices. Any notice required or permitted under this Lease shall be given when actually delivered or forty-eight (48) hours after deposited in United States Mail as certified mail addressed to the address first given in this Lease or to such other address as may be specified from time to time by either of the parties in writing.

16.3 Succession. Subject to the above stated limitations on transfer of Tenant's interest, this Lease shall be binding on and inure to the benefit of the parties and their respective successors and assigns.

16.4 Entry for Inspection. Landlord shall, subject to the provisions of paragraph 4.3, have the right to enter upon the Premises at any time to determine Tenant's compliance this Lease, to make necessary repairs to the building or to the Premises or to show the Premises to any prospective tenant or purchaser, and in addition, shall have the right, at any time during the last two (2) months of the term of this Lease, to place and maintain upon the Premises notices for leasing or selling of the Premises.

16.5 Interest on Rent and Other Charges. Any rent or other payment required of Tenant by this Lease shall, if not paid within ten (10) days after it is due, bear interest at the rate of eighteen percent (18%) per annum (but not in any event at a rate greater than the maximum rate of interest permitted by law) from the due date until paid. In addition, if Tenant fails to make any rent or other payment required by this Lease to be paid to Landlord within five (5) days after it is due, Landlord may elect to impose a late charge of five cents (\$.05) per dollar of the overdue payment to reimburse Landlord for the costs of collecting the overdue payment. Tenant shall pay the late charge upon demand by Landlord. Landlord may levy and collect a late charge in addition to all other remedies available for Tenant's default, and collection of a late charge shall not waive the reach caused by the late payment.

16.6 Proration of Rent. In the event of commencement or termination of this Lease at a time other than the beginning or end of one of the specified rental periods, then the rent shall be prorated as of the date of commencement or termination and in the event of termination for reasons other than default, all prepaid rent shall be refunded to Tenant or paid on its account.

16.7 Time of Essence. Time is of the essence of the performance of each of Tenant's obligations under this Lease.

16.8 Early Termination. Landlord or Tenant may terminate this Lease for any reason with a minimum ninety (90) day written notice to the other.

16.9 Previous Agreements. The Parties agree that all previous agreements, memorandums, letters or understanding whether in writing or oral are completely superseded and replaced by this lease agreement.

16.10 Eminent Domain

16.10.1 Total Taking. If a condemning authority takes all of the Premises or a portion sufficient to render the remaining Premises reasonably unsuitable for the use that Tenant was then making of the Premises, the Lease shall terminate as of the date the condemnor takes possession. Such termination shall have the same effect as termination by Landlord under Subsection 9.2. Landlord shall be entitled to all of the proceeds of condemnation, and Tenant shall have no claim against Landlord as a result of the condemnation.

16.10.2 Sale in Lieu of Condemnation. Sale of all or part of the Premises to a purchaser with the power of eminent domain in the face of a threat or probability of the exercise of the power shall be treated for the purposes of this Section 9 as a taking by condemnation.

16.10.3 Less Than Total Taking. If a condemning authority takes only a portion of the Premises and Tenant remains in possession of the remainder of the Premises under this Lease, the parties shall mutually agree in writing to a proportionate reduction in the rent and other charges under this Lease for the reduced area of the Premises as provided in Subsection 2.3. Further the Lease shall be amended to reflect the new rental rates and other charges and the new description of the Premises post condemnation.

16.11 Governing Law Venue, Consent to Jurisdiction. This Lease shall be governed by Oregon law, without regard to principles of conflicts of law. Any action or suit to enforce or construe any provision of the Lease by either party must be brought in the Circuit Court of the State of Oregon for Multnomah County or, if the action or suit must be brought in a federal forum, the United

States District Court for the District of Oregon in Portland, Oregon. Each party, by execution of the Lease, hereby consents to the in personam jurisdiction of said courts.

16.12 Attorney's Fees. In the event of litigation under or arising out of this Lease, each party shall bear its own costs, expenses, and fees, including attorney's fees.

16.13 Force Majeure. Neither RACC, COUNTY, nor ARTIST shall be liable to the others for any failure or delay of performance of any obligations hereunder when such failure or delay shall have been wholly or principally caused by acts or events beyond its reasonable control, including without limitation acts of God, acts of civil or military authority, fires, floods, earthquakes or other natural disasters, war, riots or strikes. ARTIST shall, however, make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon the cessation of the cause, diligently pursue performance of its obligations under this Agreement.

16.14 Headings; Capitalized Terms . The headings provided in the Sections and Subsections of this Lease are not controlling and are inserted merely for the convenience of the reader. Capitalized terms shall have the meanings provided in this Lease.

[Signatures on Next Page]

IN WITNESS HEREOF, the duly authorized representatives of the parties have executed this Lease as of the day and year first written above.

LANDLORD
MULTNOMAH COUNTY, OREGON

TENANT
NORTHWEST REGIONAL PRIMARY CARE
ASSOCIATION

By: _____
Deborah Kafoury, Chair

By: _____
Name:
Title:

Reviewed By:
JENNY M. MADKOUR, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

Jed Tomkins
Assistant County Attorney

EXHIBIT "A"



