

LEASE AND SUBLEASES
TERMINATION AGREEMENT

DATED: September ____, 2006

AMONG: MULTNOMAH COUNTY
501 SE Hawthorne Street
Portland, OR 97204 (the "County")

AND: THE CHILDREN'S LAND TRUST
Formerly known as Regional Children's Campus, Inc.,
an Oregon not-for-profit corporation
c/o Janus Youth Programs, Inc.
707 NE Couch Street
Portland, OR 97232 (the "Trust")

AND: MORRISON CHILD AND FAMILY SERVICES,
an Oregon nonprofit corporation
1500 NE Irving Street, Suite 250
Portland, OR 97232 ("Morrison")

AND: MULTNOMAH EDUCATION SERVICE DISTRICT (the "MESD")
P.O. Box 301039
Portland, OR 97294-9039

The County owns the real property described on attached Exhibit A (the "Property"). The County leased the Property to the Trust pursuant to that Lease Agreement dated as of October 1, 1998, as amended by a First Amendment dated May 21, 2001 and Second Amendment dated November 4, 2004 (the "Lease Agreement"). The Trust subleased a portion of the Property to Edgefield Children's Center, Inc., pursuant to a Sublease dated October 12, 1998 and Morrison is the successor in interest of the subtenant's interest in that Sublease (the "ECC Sublease"). The Trust subleased a different portion of the Property to Morrison pursuant to that Sublease dated October 12, 1998 (the "Counterpoint Sublease"). The Trust leased another property (the "MESD Property") to MESD pursuant to a Ground Sublease Agreement dated October 12, 1998 (the "MESD Sublease"). The above described subleases are collectively the "Subleases."

The County issued bonds to provide financing for the construction of improvements on the Property (the "Bonds"). The Trust and Morrison also provided funds to be used to fund the construction of improvements on the Property. Those improvements have been constructed.

The County and the Trust desire to sell the Property to the Reynolds School District ("Reynolds") and the County has entered into a Memorandum of Understanding for sale of the Property to Reynolds. The County and the Trust desire to terminate the Lease Agreement and the ECC Sublease and the Counterpoint Sublease upon the sale to Reynolds. The Trust and Morrison are willing to terminate the Lease Agreement and the ECC Sublease and the Counterpoint Sublease upon the terms set forth in this Lease and Subleases Termination Agreement (the "Agreement").

Pursuant to the Lease Agreement, in the event the Lease Agreement is terminated, then County has agreed to recognize the MESD Sublease as a direct lease with County and, in that event, MESD has the option to purchase the MESD Property within 120 days after the Bonds have been paid in full for \$1 in accordance with the terms of Section 29 of the MESD Sublease.

NOW THEREFORE, in consideration of the mutual promises of the parties set forth in this Agreement, the parties agree as follows:

SECTION 1 AGREEMENTS CONCERNING LEASE AND SUBLEASE TERMINATION

1.1. Subject to the County's performance of its payment obligations set forth in Section 2, the Trust agrees to modify the Lease Agreement to provide for a termination date (the "Termination Date") of July 1, 2007 or such earlier date for the closing of sale of the Property to Reynolds as to which the parties may unanimously agree in writing ("Closing"). The Trust agrees that it will vacate possession of the Property and will cause Morrison (its sub-tenant) to vacate possession of the Property by the Termination Date. The Trust shall not be required to cause MESD to vacate possession of the MESD Property. As of the Termination Date, the Trust

and Morrison will have no claim to the Property or any of the improvements located on the Property. As of the Termination Date, the rights of MESD to the MESD Property shall be as described in Section 3 below.

1.2. Effective July 1, 2005, the rent owed by the Trust to the County under the Lease Agreement is the sum of \$24,115 per month. Under the terms of the Lease Agreement the Trust has been permitted to defer \$6,300 per month since July 1, 2005. The amount deferred equals \$75,600 as of June 30, 2006 and deferred rent will continue to accrue at \$6,300 per month until Closing. The accrued and accruing deferred rent is hereafter collectively referred to as the "Rent Deferral". At Closing the Rent Deferral will be deducted from the proceeds of the sale of the Property to be paid to the Trust and the Rent Deferral will be paid to the County. The Trust will continue to pay the rent of \$17,815 to the County, and Morrison (the Trust's subtenant) will continue to pay its monthly rent due under the Subleases of \$1,600 for the ECC Sublease and \$12,730 for the Counterpoint Sublease plus common area maintenance ("CAM") charges to the Trust until the Termination Date plus any past due unpaid CAM charges and CAM reconciliations required by the Subleases. Morrison shall be entitled to terminate the ECC Sublease or the Counterpoint Sublease, or both, upon at least 90 days advance written notice to the County and the Trust with an effective termination date between January 1, 2007 and July 1, 2007, but in no event later than the Termination Date (the "Sublease Termination Date"). The Trust shall no longer be obligated to pay rent under the Lease Agreement to the County to the extent that rent is not received from Morrison on any terminated Sublease as of the Sublease Termination Date. Morrison shall no longer be obligated to pay rent to the Trust under any terminated Sublease as of the Sublease Termination Date except to the extent of any then unpaid CAM charges. The rent and CAM charges due under any Sublease that has not been terminated will continue to be paid by Morrison to the Trust and by the Trust to the County. If Morrison elects to give written notice terminating any Sublease between January 1, 2007 and the Termination Date, then rent which Morrison was otherwise obligated to pay the Trust but for the notice of early termination (the "Early Termination Deferral") shall be deferred and shall be a credit to the County against payments owing to Morrison pursuant to Section 2.1.1.

1.3. Except as modified by preceding subsections, the Lease Agreement remains in full force and effect and is unmodified. The County hereby waives any claim that the Trust has

been or is currently in default of the terms of the Lease Agreement. The Trust agrees to perform in accordance with the terms of the Lease Agreement (as modified) and the County retains its remedies for any breach of the Lease Agreement by the Trust except as waived above.

1.4. The Trust hereby waives any claim to some or all of the cash held in any reserve accounts established and maintained pursuant to the Bonds and agrees that any funds held in such reserves belong to the County.

1.5. Upon the termination of the Subleases, any rent Morrison was obligated to pay but did not prior to June 30, 2005 shall be waived.

SECTION 2 COUNTY PAYMENT OBLIGATIONS

2.1. The parties agree that a sale to Reynolds under the terms and conditions of the Memorandum of Understanding between the County and Reynolds will result in proceeds to the County from sale of the Property of \$4,450,000, less the prorated closing costs of selling the Property and less the then unpaid principal balance owed under the Bonds (\$1,965,000 as of June 30, 2006), the amount owing for the land under the Lease Agreement (\$289,724 as of June 30, 2006) and the amount owing for infrastructure improvements under the First Amendment to the Lease Agreement (\$206,184 as of June 30, 2006) and the Rent Deferral ("Net Leasehold Value"). The Trust shall pay that portion of the Closing cost equal to the Net Leasehold Value divided by the sale price to Reynolds for the total property being sold to Reynolds. The Bonds are payable in annual payments and accordingly, the principal balance owed under the Bonds is reduced annually. However, the Trust makes monthly rent payments which are accumulated to make the annual Bond payments. For purposes of this Section 2.1, as of the Termination Date, the unpaid principal balance due under the Bonds shall be reduced by the principal component of the next due annual Bond payment divided by 360 days and multiplied by the number of days between the Termination Date and the immediately preceding annual Bond payment date. The County agrees to make the following payments:

2.1.1. The County agrees to pay Morrison \$1,020,000, less the amount, if any, of the Early Termination Deferral (the "Morrison Payment Amount"). The County shall also make a supplemental payment to Morrison of \$330,000 from sources other than the Net Leasehold Value (the "Morrison Supplemental Payment"). The Morrison Payment Amount and the

Morrison Supplemental Payment are being paid to assist Morrison with the relocation of its social service programs to another facility, however the payments made to Morrison under this agreement may be used by Morrison for any purpose.

2.1.2. The County agrees to pay the Trust: the Net Leasehold Value, less the Morrison Payment Amount ("the Trust Payment Amount").

2.2. The Trust Payment Amount and the Morrison Payment Amount and the Morrison Supplemental Payment will be paid as follows:

2.2.1. Upon Closing, as defined below, the County shall pay the Trust Payment Amount, the Morrison Payment Amount and the Morrison Supplemental Payment in cash.

2.2.2. In the event that the Property has not been sold by June 30, 2007, then by July 16, 2007, the County shall nonetheless pay the Morrison Payment Amount and the Morrison Supplemental Payment in cash. As condition of such payments, Morrison shall deliver to the Trust (and provide evidence of such delivery to County) the termination of Project Use Agreement described in Section 6.3 below. If Morrison fails to deliver the termination of Project Use Agreement, the County may withhold from the payment to Morrison such sum as is necessary to satisfy the repayment obligation under the Project Use Agreement until such time as Morrison provides to the County either 1) the termination of Project Use Agreement, or 2) an agreement from the buyer of the Property, in a form acceptable to the County, delivered at the closing of the sale of the Property, releasing the County from any liability related to the Project Use Agreement. No interest shall be paid on the amount withheld.

2.3. In the event that the Property has not been sold by June 30, 2007, then no payment shall be due to the Trust and the rights and obligations of the County, the Trust and MESD shall be as provided in Section 7.

SECTION 3 OBLIGATIONS WITH RESPECT TO MESD SUBLEASE

3.1. As of the Termination Date, the MESD Sublease shall be a direct lease with the County and Trust shall have no obligation to MESD under the MESD Sublease.

3.2. As soon as practical after execution of this Agreement and prior to Closing, MESD shall seek to cause the MESD Property to be divided from the Property as a separate legal lot. County will provide such cooperation as may be necessary to achieve the land division including, without limitation, executing any required application and testifying in favor of such land division. County will reimburse MESD for the costs to prepare and submit the application for a land division a sum not to exceed \$10,000 plus fees paid to the City of Troutdale, but County shall not be required to expend any other funds in furtherance of the approval process or for costs associated with the land division. MESD shall seek to obtain approval of the land division which will allow MESD to continue to use the existing sewer line. If MESD is not successful in obtaining such approval and construction of a separate sewer line to serve the MESD Property is required as a condition of approval, and if MESD determines to proceed with the land division, then MESD and Trust shall share the cost of the additional sewer line equally. The Trust's share shall be deducted from the Trust Payment Amount and paid to MESD at Closing (or at closing under Section 7 if the Closing fails to occur). MESD and Trust may modify the terms of this Section 3.2 as it relates to agreements between them without the consent or further agreement of the other parties to this agreement. In the event that MESD obtains the land division prior to Closing, County shall, on the Termination date (or as soon thereafter as MESD obtains the land division) convey the MESD Property to MESD in accordance with Section 29 of the MESD Sublease whether or not the bonds have been paid in full. In the event MESD determines prior to Closing that it is legally or economically impractical to create the MESD Property as a separate legal lot, County will assign to Reynolds and cause Reynolds to assume the MESD Sublease as a direct lease, effective at Closing and thereafter County shall have no obligation to MESD under the MESD Sublease. MESD agrees that upon assignment of the MESD Sublease to Reynolds, MESD shall be solely responsible for all costs related to any future land division of the MESD Property into a separate legal lot and MESD will execute an agreement to that effect with Reynolds contemporaneous with the assignment to Reynolds.

3.3. The parties hereto acknowledge that MESD has prepaid the Prepaid Rent (as defined in the MESD Sublease) under the MESD Sublease. MESD agrees that it is not entitled to reimbursement for any Prepaid Rent under the MESD Sublease. MESD shall not be required to pay Rent under the MESD Sublease to County or Reynolds or any other purchaser of the Property.

SECTION 4 AMENDMENT OF LEASE AGREEMENT AND SUBLEASES

The parties agree that this agreement modifies the terms of the Lease Agreement and the Counterpoint Sublease and the ECC Sublease, and Morrison and the Trust agree to execute and deliver to each other the First Amendments to Sublease attached as Exhibits B-1 and B-2 hereto contemporaneously with the full execution of this Agreement.

SECTION 5 COOPERATION WITH SALE

As set forth above, the County intends to sell the Property along with other adjacent property. The Trust and Morrison agree to cooperate with the County in this sale by providing information reasonably available to the Trust or Morrison regarding the Property reasonably requested by the County, within ten (10) days of the County's written request. The Trust and Morrison further agree to exercise best efforts to provide to the County within thirty (30) days of the execution of this Agreement all material documents, reports, correspondence and related items in their possession used in the operation and maintenance of the property, including, but not limited to: environmental and asbestos reports; property surveys and certificates of occupancy for the structures on the Property; copies of reports and/or specifications for any major maintenance or repair work performed in excess of \$10,000 in a single system or incident since June 1, 2005; wetlands reports or analysis; soils or geotechnical reports; copies of any correspondence from city, state or other applicable jurisdiction relating to the Property; copies of any improvement plans, including utilities, civil and landscaping details; copies of any covenants, conditions and restrictions and any site planning guidelines; and any other business documents or records with respect to the material operation of the Property. The Trust and Morrison also agree to allow prospective purchasers and their agents to inspect the Property and to perform tests upon the Property so long as the County gives at least three (3) business days advance notice of the inspection, the testing occurs pursuant to a plan which the Trust and Morrison have approved (which approval will not be unreasonably withheld) and the party conducting the testing has provided evidence of reasonable insurance, insuring the Trust and Morrison as additional insureds, and agrees in writing to indemnify and hold the Trust and Morrison harmless from any injury, damage or liability relating to or resulting from the acts or omissions of the prospective purchaser or its agents.

SECTION 6 CLOSING

6.1. At Closing of the sale to Reynolds, (the "Closing"):

6.1.1. The County shall make the payments described in Section 2.

6.1.2. If requested by the County, the Trust and Morrison will execute and deliver to the County a statutory quitclaim deed quitclaiming any interest in the Property to the County.

6.1.3. The County shall convey the MESD Property in accordance with Section 3.2, or if the MESD Property has not been divided from the Property as a separate legal lot and conveyed to MESD in accordance with Section 3.2, County and Reynolds will execute and deliver to MESD an assignment and assumption of the MESD Sublease, as a direct lease, as described in Section 3.

6.2. Morrison agrees to pay for all common area maintenance charges and all utility costs accrued through the Closing with respect to the use of the Property, but in no event shall such payments continue after July 1, 2007.

6.3. As a condition of Closing and payment of the Morrison Payment Amount and the Morrison Supplemental Payment, Morrison shall deliver to the County at Closing a termination of that Project Use Agreement between the State of Oregon and Morrison and recorded against the Property on May 21, 1997, or an agreement from Reynolds, in a form acceptable to the County, releasing the County from any liability related to the Project Use Agreement.

SECTION 7 RIGHTS OF PARTIES UPON FAILURE TO CLOSE BY JUNE 30, 2007

7.1. If the sale to Reynolds fails to close by June 30, 2007, Payments to Morrison shall be made by County pursuant to Section 2.2.2.

7.2. Upon failure of the sale to Reynolds by June 30, 2007 County and Trust will make best efforts to sell the Property. County agrees that for a period of one year it will not sell the property for a sum less than \$4,450,000. Pending sale of the property under this Section, beginning July 1, 2007 until closing all rent due from Trust under the Lease Agreement shall be deferred.

7.3. At closing of the sale of the Property under this Section:

7.3.1. The Trust shall execute and deliver to the County the documents which Trust is required to provide under Section 6.1.2.

7.3.2. The Trust will be paid the net proceeds of the sale, if any, after payment to the County of the amounts described in Section 2.1 (but not ~~it's~~sits subsections) plus rent deferred under this Section.

7.4. If the MESD Property has not been divided from the Property as a separate legal lot and conveyed to MESD in accordance with Section 3 hereof, County will assign to the purchaser of the Property and cause the purchaser of the Property to assume the MESD Sublease as a direct lease at closing of the sale of the Property.

SECTION 8 GENERAL PROVISIONS

8.1. Amendments.

No provision of this Agreement may be amended, modified or waived unless such amendment, modification or waiver is agreed to in writing and signed by the parties.

8.2. Binding Effect

The provisions of this Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, personal representatives, administrators, successors, and permitted assigns.

8.3. Complete Agreement

This Agreement constitutes the complete and final agreement between the parties with respect to the matters covered by this Agreement, and this Agreement supersedes and replaces all prior written or oral agreements on the same matter, except for the Lease Agreement, the Subleases and the Bond documents.

8.4. Construction and Interpretation

The use in this Agreement of the words "including," "such as," and words of similar import following any general statement, term, or matter shall not be construed to limit such statement, term, or matter in any manner, whether or not the language of non-limitation (such as "without limitation" or "but not limited to") is used in connection therewith, but rather, shall be deemed to refer to all other items or matters that could reasonably fall within the scope of the general statement, term, or matter. All provisions of this Agreement have been negotiated at arm's length, and this Agreement shall not be construed for or against any party by reason of the authorship or alleged authorship of any provision hereof.

8.5. Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be an original of this Agreement and all of which shall be one agreement.

8.6. Default

An Event of Default shall occur if: A party fails to perform an obligation of such party set forth in this Agreement, the other party gives written notice of such failure, and the failure of performance is not cured within ten (10) days of such notice. If the failure of performance is such that it cannot be cured within such ten (10) days, then no default shall occur if the party commences to cure such a failure within such ten (10) day period of time and, thereafter, completely cures the failure as soon as is reasonably possible.

8.7. Defined Terms

Words that are capitalized and not the first word of a sentence are defined terms and shall have the meaning given them where they are first used and capitalized.

8.8. Exhibits

All exhibits attached to this Agreement are an integral part of this Agreement and are hereby incorporated by reference.

8.9. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon.

8.10. Headings

The headings of this Agreement are for convenience only and shall not control or affect the meaning or construction of any provision of this Agreement.

8.11. Notices

All notices which are or may be given under the terms of this Agreement shall be in writing and sent to a party at its address first set forth above. A party may change its address for notices by a notice to the other parties. Notices may be given by hand delivery or U.S. certified mail, return receipt requested. Notices given by hand delivery shall be effective upon delivery to a party's address. Notices given by fax shall be effective upon electronic confirmation of transmittal by the sending fax machine. Notices given by certified mail shall be effective on the third business day after placement in the U.S. mail with postage prepaid.

8.12. Remedies

In the case of an Event of Default, the non-defaulting party shall be entitled to each and every legal and equitable right and remedy as though each of those were fully set forth in this Agreement, including but not limited to, the remedy of specific performance.

8.13. Severability

If any term or provision of this Agreement or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement and the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term or provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

8.14. Time of Essence

Time is of the essence of the obligations of the parties under this Agreement.

8.15. Waiver

Failure of any party at any time to require performance of any provision of this Agreement shall not limit such party's right to enforce such provision, nor shall any waiver of any breach of any provision of this Agreement constitute a waiver of any succeeding breach of such provision or a waiver of such provision itself. Any waiver of any provision of this Agreement shall be effective only if set forth in writing and signed by the party to be charged.

8.16. Arbitration

Arbitration Required. Any dispute or claim that arises out of or that relates to this Agreement or to the interpretation or breach thereof, or to the existence, scope, or validity of this Agreement, shall be resolved by arbitration in accordance with the then effective arbitration rules of (and by filing a claim with) Arbitration Service of Portland, Inc., and judgment upon the award rendered pursuant to such arbitration may be entered in any court having jurisdiction thereof.

IN WITNESS WHEREOF, the parties have executed this Lease and Sublease and Termination Agreement as of the date first above written.

County:

MULTNOMAH COUNTY

By: _____
Its: _____

Trust:

THE CHILDREN'S LAND TRUST, Formerly
known as Regional Children's Campus, Inc., an
Oregon not -for-profit corporation

By: _____
Its: _____

Morrison:

MORRISON CHILD AND FAMILY SERVICES
an Oregon nonprofit corporation

By: _____
Jay C. Bloom
President and Chief Executive Officer

MESD:

MULTNOMAH EDUCATION SERVICE
DISTRICT

By: _____
Its: _____

Reviewed:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY

By: _____
John S. Thomas
Deputy County Attorney

EXHIBIT A

Parcel 3 of Partition Plat No. 1998-166 recorded in the Multnomah County Plat Records.

Reserving, however, to Grantor, and Grantor's successor's and assigns, an easement to enter that portion of Grantee's property described below at such time as is determined by Grantor for the purpose of constructing a multilane arterial road, and creating, restoring, enhancing and repairing wetlands and riparian areas in the easement area. During the term of this easement, Grantor shall have the right, but not the obligation to maintain any wetland or riparian areas within the easement area. In conjunction with the performance of such work, Grantor shall have a right of access to the easement area across Grantee's property to perform work permitted by this easement. In the event of any damage to Grantee's property arising from any activity of Grantor pursuant to this easement, Grantor shall restore such property to the condition it was in prior to the damage. This easement shall terminate at the conclusion of any wetland and riparian area maintenance and establishment period required by regulatory agencies. Grantee shall not construct any improvements in easement area without approval of the County Engineer. The property subject to this easement is described as follows:

All that portion of the following described strip of land lying within Parcel 1 of Partition Plat 1996-1, filed at Multnomah County Surveyors Office; being situated in the Southwest One-quarter of Section 26, T1N, R3E, Multnomah County, Oregon, being more particularly described as follows:

A strip of land 120 feet in width being 60 feet in width on each side of the following described centerline: Commencing at a : inch iron pipe being a Northeast corner of Parcel 1 of Partition Plat 1996-1, filed at the Multnomah County Surveyors Office; thence S79°06'00"W, a distance of 790.92 feet along the South right-of-way line of N.E. Halsey Street, County Road No. 1180, to a : inch iron pipe being a northwest corner of said Parcel 1, Partition Plat 1996-1, and also being 45.00 feet southerly, when measured at right angles to the centerline of said N.E. Halsey Street, also being the Point of Beginning of the centerline of the strip of land to be described; thence S67°56'16"E, a distance of 184.93 feet to a point; thence along the arc of a 2.00 foot radius tangent curve to the right, an arc length of 1.24 feet, through a central angle of 35°38'55", the chord of which bears S50°06'49"E, 1.22 feet, to a point; thence S32°17'21"E, a distance of 91.03 feet to a point; thence along the arc of a 2.00 foot radius tangent curve to the left, an arc length of 0.71 feet through a central angle of 20°19'21", the chord of which bears S42°27'02"E, 0.71 feet, to a point; thence S52°36'42"E, a distance of 133.49 feet to a point; thence along the arc of a 2.00 foot radius tangent curve to the left, an arc length of 1.49 feet, through a central angle of 42°40'55", the chord of which bears S73°58'10"E, 1.46 feet, to a point; thence N84°42'23"E, a distance of 116.63 feet to a point; thence along the arc of a 2.00 foot radius tangent curve to the right, an arc length of 2.94 feet, through a central angle of 84°14'49", the chord of which bears S53°10'13"E, 2.68 feet to a point; thence S11°02'48"E, a distance of 72.66 feet to a point; thence along the arc of a 1,576.27 foot radius tangent curve to the right, an arc length of 265.20 feet, through a central angle of 9°38'23", the chord of which bears S6°13'36"E, 264.89 feet to a point; thence S62°37'01"W, a distance of 563.08 feet to a point, being the terminus of the centerline of the strip being described.

Containing 170,000 square feet, more or less.

Reserving also to Grantor, and Grantor's successors and assigns, a permanent easement for the construction, reconstruction, operation and maintenance of drainage facilities over and across Tract 1 and Tract 2 described below. Grantee shall not construct any improvements in easement areas without approval of the County Engineer. The property subject to this easement is described as follows:

TRACT 1:

A tract of land situated in the Southwest One-quarter of Section 26, T1N, R3E, W.M., Multnomah County, Oregon, being more particularly described as follows:

Beginning at a : inch iron pipe with a yellow plastic cap inscribed "Multnomah County Survey", being a Northwest corner of Parcel 1 of Partition Plat 1996-1, filed at the Multnomah County Surveyors Office, also being 45.00 feet southerly, when measured at right angles to the legal centerline station 312+33.30 of N.E. Halsey Street, County Road No. 1180; thence N79°06' E along the South right-of-way line of said N.E. Halsey Street, a distance of 81.36 feet to a point; thence S0°06'02"E along a line being parallel to the West line of said Parcel 1, a distance of 62.23 feet to a point; thence N87°27'18"W, a distance of 80.00 feet to a point on the West line of said Parcel 1; thence N0°06'02"W along the West line of said Parcel 1, a distance of 43.29 feet to the Point of Beginning.

Containing 4,216 square feet, more or less.

TRACT 2:

A tract of land situated in the Southwest One-quarter of Section 26, T1N, R3E, W.M., Multnomah County, Oregon, being more particularly described as follows:

Commencing at a : inch iron pipe with a yellow plastic cap inscribed "Multnomah County Survey", being a Northwest corner of Parcel 1 of Partition Plat 1996-1, filed at the Multnomah County Surveyors Office, also being 45.00 feet southerly, when measured at right angles to the legal centerline station 312+33.30 of N.E. Halsey Street, County Road No. 1180; thence N79°06' E along the South right-of-way line of said N.E. Halsey Street, a distance of 446.73 feet to a point; thence S11°02'48"E, a distance of 243.42 feet to a point being the Point of Beginning of the tract to be described; thence continuing S11°02'48"E, a distance of 60.30 feet to a point; thence S84°42'23"W, a distance of 100.51 feet to a point; thence N11°02'48"W, a distance of 60.30 feet to a point; thence N84°42'23"E, a distance of 100.51 feet to the Point of Beginning.

Containing 6,030 square feet, more or less.

SUBJECT TO EASEMENTS, RESTRICTIONS, LIENS AND ENCUMBRANCES OF RECORD.

**FIRST AMENDMENT TO SUBLEASE
(Counterpoint Sublease)**

EFFECTIVE DATE: May __, 2006

PARTIES: Children's Land Trust, formerly known as
Regional Children's Campus, Inc.
707 NE Couch Street
Portland, OR 97232 "Landlord"

Morrison Child and Family Services
1500 NE Irving Street
Suite 250
Portland, OR 97232 "Tenant"

RECITALS

A. Landlord, as Landlord, and Tenant, as Tenant, entered into that certain Sublease Agreement, executed on or about October 12, 1998 (the "Sublease") with respect to certain Premises and Building located in Portland, Oregon, and more fully described therein.

B. The parties now desire to amend and modify the terms of the Sublease and make other accommodations as set out below.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

AGREEMENT

A. Sublease Termination. A new Section 2.1 is added as follows:

"2.1 Early Termination by Tenant.

Notwithstanding the other provisions of Section 2 of the Sublease, Tenant may terminate the Sublease after December 31, 2006, and before July 1, 2007, by providing Landlord ninety (90) days' prior written notice.

2.2. Early Termination by Landlord.

Any other provision of the Sublease notwithstanding, the Sublease shall terminate July 1, 2007, unless earlier terminated.

B. Acknowledgement of Rent Paid Current. The parties hereby acknowledge that the following obligations have been fully paid and satisfied by Tenant: all Rents, additional Rents, CAM Charges, Tenant's Share of the Contract Price, interest, fees, administrative charges, penalties, and any other amounts due, claimed due or payable under the Sublease through April 30, 2006. In consideration of the covenants contained herein, Landlord hereby releases and waives any and all claims for any amounts alleged to be due from Tenant, including, without limitation, amounts due or claimed due, as set forth above, under the Sublease through April 30, 2006.

C. Termination of Purchase Option. Section 29 of the Sublease is hereby deleted. In consideration of the covenants contained herein, Tenant's right to purchase the Building is hereby terminated.

D. Undefined Terms. Capitalized terms used and not defined herein have the meaning ascribed in the Sublease.

E. Further Assurances. Each party shall, without expense to the other party, execute, acknowledge and deliver all further acts, conveyances or other documents as the other party shall from time to time reasonably require, to assure, convey, assign, transfer and confirm to the other party as may be necessary or prudent for carrying out the intention or facilitating the performance of the terms of this First Amendment to Sublease or for filing, recording or rerecording any necessary document.

F. No Other Amendment. This First Amendment amends the Sublease only to the extent provided herein. Except as amended herein, all terms of the Sublease remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be executed in duplicate effective on the day and year first above written.

LANDLORD: **CHILDREN'S LAND TRUST** formerly known as **REGIONAL CHILDREN'S CAMPUS, INC.,**
an Oregon nonprofit corporation

By: _____

Its: _____

TENANT: **MORRISON CHILD AND FAMILY SERVICES,**
an Oregon nonprofit corporation

By: _____

Jay C. Bloom
President and Chief Executive Officer

PDX_DOCS:370935.2 [35735-00200]

**FIRST AMENDMENT TO SUBLEASE
(ECC Sublease)**

EFFECTIVE DATE: May __, 2006

PARTIES: Children's Land Trust, formerly known as
Regional Children's Campus, Inc.
707 NE Couch Street
Portland, OR 97232 "Landlord"

Morrison Child and Family Services,
as successor to Edgefield Children's Center, Inc.
1500 NE Irving Street
Suite 250
Portland, OR 97232 "Tenant"

RECITALS

A. Landlord, as Landlord, and Tenant, as Tenant, entered into that certain Sublease Agreement, executed on or about October 12, 1998 (the "Sublease") with respect to certain Premises and Building located in Portland, Oregon, and more fully described therein.

B. The parties now desire to amend and modify the terms of the Sublease and make other accommodations as set out below.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

AGREEMENT

A. Sublease Termination. A new Section 2.1 is added as follows:

"2.1 Early Termination by Tenant.

Notwithstanding the other provisions of Section 2 of the Sublease, Tenant may terminate the Sublease after December 31, 2006, and before July 1, 2007, by providing Landlord ninety (90) days' prior written notice.

2.2. Early Termination by Landlord.

Any other provision of the Sublease notwithstanding, the Sublease shall terminate July 1, 2007, unless earlier terminated.

B. Acknowledgement of Rent Paid Current. The parties hereby acknowledge that the following obligations have been fully paid and satisfied by Tenant: (1) all Rents, additional Rents, CAM Charges, Tenant's Share of the Contract Price and any other amounts due, claimed due or payable under the Sublease through April 30, 2006; and (2) all amounts due or claimed due from Tenant or previously released by Landlord pursuant to a Letter of Intent dated June 30, 2000, between Landlord and Tenant (the "Letter of Intent"). In consideration of the covenants contained herein, Landlord hereby releases and waives any and all claims for any amounts alleged to be due from Tenant, including, without limitation (a) amounts due or claimed due, as set forth in Section B(1) above, under the Sublease through April 30, 2006; (b) amounts due, claimed due or previously released under the Letter of Intent; and (c) any claim that Tenant owes in excess of \$450,000, in unpaid rent or CAM Charges plus interest, fees, administrative charges and penalties, if any, to Landlord under the Sublease or otherwise.

C. Termination of Purchase Option. Section 29 of the Sublease is hereby deleted. In consideration of the covenants contained herein, Tenant's right to purchase the Building is hereby terminated.

D. Undefined Terms. Capitalized terms used and not defined herein have the meaning ascribed in the Sublease.

E. Further Assurances. Each party shall, without expense to the other party, execute, acknowledge and deliver all further acts, conveyances or other documents as the other party shall from time to time reasonably require, to assure, convey, assign, transfer and confirm to the other party as may be necessary or prudent for carrying out the intention or facilitating the performance of the terms of this First Amendment to Sublease or for filing, recording or rerecording any necessary document.

F. No Other Amendment. This First Amendment amends the Sublease and the Letter of Intent only to the extent provided herein. Except as amended herein, all terms of the Sublease and the Letter of Intent remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be executed in duplicate effective on the day and year first above written.

LANDLORD: **CHILDREN'S LAND TRUST formerly known as REGIONAL CHILDREN'S CAMPUS, INC.,**
an Oregon nonprofit corporation

By: _____

Its: _____

TENANT: **MORRISON CHILD AND FAMILY SERVICES,**
an Oregon nonprofit corporation, as successor to Edgefield Children's Center, Inc., an Oregon nonprofit corporation

By: _____

Jay C. Bloom
President and Chief Executive Officer

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