



March 30, 2006

Via Electronic Delivery

David Reinhart
Principal
CRESA Partners
One SW Columbia, Ste. 1610
Portland, OR 97258

RE: *Multnomah County - Lincoln Building*

Dear David:

Enclosed for your review are the proposed business terms regarding an expansion for Multnomah County ("Tenant") at the Lincoln Building. We appreciate the opportunity to provide this proposal and look forward to the possibility of a mutually beneficial relationship with Multnomah County.

Building	The Lincoln Building, 421 SW Oak Street, Portland, Oregon
Ownership	The Building is owned by BRCP/Unico Lincoln, LLC, a joint partnership between Unico Investment Company and Broadreach Capital Partners. Additional information on Unico and Broadreach can be found on their respective websites at www.unicoprop.com and www.broadreachcp.com .
Existing Premises	Tenant's current Premises containing 99,478 RSF, located on the 1 st , 2 nd , 5 th and 6 th floors.
Expansion Premises	Those portions of the Building that are, as of this date, vacant, consisting of approximately 19,000 RSF on the 1 st Floor, 584 RSF on the 2 nd Floor, 34,650 RSF on the 7 th Floor, and 12,034 RSF on the 8 th Floor, totaling 66,268 RSF. In addition, the 5,632 RSF on the 2 nd Floor currently occupied by FSH Communications is anticipated to be part of the Expansion Premises, provided that they can be relocated as described later in this document.
Clinic Expansion Premises	Those portions of Tenant's Expansion Premises located on the first floor that shall be used as clinic and/or medical use. Exact square footages to be determined upon final space planning.
Clinic Existing Premises	Those portions of Tenant's Existing Premises that shall be converted to use as clinic and/or medical use. Exact square footages to be determined upon final space planning. It is expressly understood that no portions of Tenant's existing Premises or Expansion Premises above the 2 nd floor shall be used for Clinic uses.

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Administrative Office Expansion Premises Those portions of Tenant's Expansion Premises that shall be used as administrative office uses. Exact square footages to be determined upon final space planning.

Load Factor The load factor is estimated at 10% for Full Floor and 15% for Partial Floors; however, the final rentable square footage of the Expansion Premises shall be based upon current BOMA standards.

Lease Term Through April 30, 2016 for the Administrative Space and through September 30, 2021 for the Clinic Space.

Lease Commencement Estimated to be August 1, 2006 for the administrative office space and thirty (30) days later for the clinic space. Tenant shall be provided at least thirty (30) days early access to each space for the purpose of installing furniture, phones and fixtures. Early access shall be at no additional cost.

Full Service Lease Rate Existing Premises:
Identical terms and conditions as in the Current Lease.

Clinic Existing Premises:
Identical terms and conditions as in the Current Lease, except that Base Rent shall be converted to a NNN rental structure.

Administrative Office Expansion Premises:
The base rental rate, net of Real Estate Taxes for the term shall be:
Months 1-12: \$17.60 per RSF per Year

Clinic Expansion Premises:
The base rental rate, NNN for the term shall be:
Months 1-12: \$15.00 per RSF per Year

Base rental for all categories of space shall increase by 3.0% each year thereafter.



Concessions Rental Abatement: Rent shall be abated on 6,684 rsf of the Administrative Office Expansion Premises for the initial eighteen (18) months of the lease term.

Excess Improvement Cost Reimbursement: In the event the Tenant Improvement costs exceed the Improvement Allowance, Landlord shall provide Tenant with an Excess Improvement Cost Reimbursement equal to the first three (3) months of Base Rent on the Expansion Premises. This reimbursement will be paid to Tenant no later than the last day of the sixth (6th) month of the new lease term.

Operating Expenses The base rental for the Administrative Office Expansion Premises includes operating expenses for the calendar year 2007 (the base year for the existing lease shall remain the same). Escalations for operating expenses shall be payable as additional rent beginning the first calendar year after the base year. Tenant's pro-rata share of Operating Expenses for the Clinic Expansion Premises and Clinic Existing Premises shall be payable as additional rent beginning at Lease Commencement. Tenant's utilities shall be separately metered.

Tenant Improvements Landlord shall tender the lease space to tenant in "as-is" condition, except for any Landlord's Work outlined below. Landlord shall provide tenant with an Improvement Allowance of \$2,672,568.00 (Based upon \$33.00 per RSF on 71,896 RSF, plus an additional \$300,000.00) to offset design and construction costs. All design and construction cost overages shall be at Tenant's sole cost and expense. Specifically included as part of the Improvement Allowance shall be all costs to provide fully separated HVAC distribution to all Clinic Premises, Tenant's portion of the costs for a dedicated exclusive elevator and stairs and all related structural improvements, and any relocation of existing functions of Tenant contemplated to accommodate this expansion.

All construction shall be in accordance with terms specified in Landlord's standard work agreement using Landlord's architect for any office space, Tenant's architect for any clinic space, and an approved contractor. Costs associated with final space planning, permitting, construction drawings and a three (3%) percent Unico construction management fee will be applied against the Improvement Allowance. Landlord makes no representation whatsoever to the actual cost of tenant construction. Tenant shall be responsible solely for costs associated with data and communications cabling, furniture, non-standard graphics and artwork. Contractor fees and general conditions will be bid amongst multiple contractors prior to final selection which is to be mutually agreed to by Landlord and Tenant.

Landlord's Work

Landlord, at its sole cost and expense, shall:

1. Ensure that all existing HVAC units, electrical, lighting, and plumbing slated to be re-used in the construction of Tenant's Improvements shall be brought to good working condition prior to Lease Commencement.
2. Install one (1) additional building ADA compliant entry. This entry is currently contemplated to serve that Clinic space and shall be located on the SW 4th Avenue side of the Building. In the event that Landlord and Tenant agree to locate the entry on a different side of the building, the entry shall either be an emergency exit only or shall serve as a non-public staff entry only. Landlord's maximum contribution towards the entry shall be capped at \$75,000. The design and scope of this entry door shall be mutually agreed upon by both parties.
3. Participate in the cost of the aforementioned elevator and stairs on an equal basis with Tenant, up to a maximum of \$75,000.

Space Planning /
Architectural

For the clinic portion of the Expansion Premises, Landlord shall provide an allowance not to exceed \$7,000.00 for the preparation of a space plan by Tenant's architect. For the administrative office portion of the Expansion Premises, Landlord shall provide space planning service at Landlord's sole cost utilizing Landlord's architect. Landlord shall utilize Tenant's architect for the preparation of construction documents relating to the Clinic space.

Construction

All improvements shall be made using building standard finishes or better. Space plans, construction drawings and finish selections will be subject to Landlord's review and approval.

Parking

Tenant shall be granted the right to rent reserved parking spaces at the rate of 1 space per 4,000 rentable square feet leased.

Current rates are \$150 per month, and are subject to change.

HVAC and Lighting

Landlord shall provide building standard heating, ventilation, air conditioning and lighting Monday through Friday between the hours of 6am and 8pm, and Saturday from 8am to 6pm. Overtime air conditioning is available at the current rate of \$40.00 per hour. These hours of operation shall apply to Tenant's entire leased premises in the Building. The automatic lighting shutoff for the entire leased premises shall also be set to match these hours of operation.

Existing Termination
Rights

As a material inducement to enter into this transaction, Tenant agrees to modify its existing Termination Rights in the following manner:

- Article 34.A – Modify timing of right to terminate at twenty-four (24) months, as opposed to thirty-six (36) months.
- Article 34.B – Consolidation Termination. This Right shall apply to all Tenant's leased space in the Building.
- Article 34.C – Budget Constraint Termination. Add the following language: "Landlord shall designate the location of the BC Termination Space, to be determined in Landlord's sole discretion acting reasonably, and notify Tenant of the location of the BC Termination Space within sixty (60) days after the receipt of the BC Termination Notice. The foregoing notwithstanding, the location of the BC Termination space chosen by the Landlord shall be of like kind to the use being terminated and shall not have a material negative impact on Tenant's ability to conduct business nor a material negative impact on Landlord's ability to lease the BC Termination space."

Layout Contingency

This offer is strictly contingent upon Landlord's approval of the proposed layout of all Clinic Premises, including access, exiting, and appearance from the exterior of the Building. It is intended that the parties would come to agreement on the business points contained in this proposal, proceed with space planning to address these layout issues and gather initial improvement estimates. In the event either party elects to terminate negotiations due to layout issues or project costs, neither party will have any obligation to the other, except for Landlord's obligation to provide a space planning allowance as outlined above.

FSH Group
Relocation

This proposal does not currently contemplate the relocation of FSH Communications, currently located on the 2nd floor. Landlord is aware that the ability to relocate FSH Communications may be material in Tenant's ability to expand in the Building. In the event the Landlord, in its reasonable discretion, can successfully relocate the above referenced Tenant, then that Premises shall be included in the additional Premises under identical terms and conditions as the Administrative Office Space. Upon execution of this Letter of Intent, Landlord shall diligently pursue such a relocation.

Option to Extend

Tenant's Option to Extend in the current lease shall apply to all administrative office space in the building. For all clinic space in the building, Tenant shall have one (1) five year option to extend by providing not more than thirteen (13) months and not less than twelve (12) months prior written notice. The rental rate for the clinic space option shall be at 95% of market.



ROFR Response Landlord and Tenant hereby agree that by entering into negotiations as contemplated by this Proposal does not release or waive the obligations or rights of either party as they relate to Tenant's Right of First Refusal under the existing lease between Landlord and Tenant for the Building or Landlord's Notice to Tenant dated February 9, 2006 offering Tenant an opportunity to exercise its Right of First Refusal with respect to certain space within the Building.

Documentation A Lease Amendment will document this transaction. All other terms and conditions not addressed above shall remain as written in the Original Lease. It is the intent of both parties that the contemplated Lease Amendment will attempt to unify the deal terms of the original lease and the expansion to the maximum extent possible while holding both parties harmless. This includes, but is not limited to, creating a single blended rental rate for all administrative office space, creating a single blended rental rate for all clinic space and establishing a single Base Year.

Professional Representation Unico Properties, Inc. will pay a commission for this lease pursuant to a separate agreement. In no event shall Landlord, or Unico be liable to broker for any commission on portions of the Premises currently under lease to Tenant. Unico recognizes CRESA Partners in this transaction.

Conditions Precedent This proposal is an outline of the material terms of our proposed transaction. We expect to negotiate a lease agreement, which will be generally consistent with this letter. This proposal shall not constitute a formal agreement, is subject to the full execution of a mutually acceptable lease, availability of the space and the approval of the transaction by building ownership and any lender.

If the attached terms meet your approval, please sign and return a copy of the document as acknowledgment of your acceptance. This proposal may be withdrawn at any time prior to mutual execution. Upon notification, lease documents will be prepared for your review. If you have any questions, please do not hesitate to call me at 503-425-6707.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Pearce".

Brian Pearce
General Manager



AGREED AND ACCEPTED

Any proposed amendments to terms and conditions of the current lease between Landlord and Tenant will be subject to review by the County Attorney. Please note any amendment requested, proposal made, or counteroffer accepted by me or other authorized County representative for the above referenced property is not binding on the County until and unless the Board approves the proposed lease or amendment upon such terms and conditions that may be imposed.

BY:

A handwritten signature in black ink, appearing to read "Doug Butler", written over a horizontal line.

Doug Butler, Facilities Director
Multnomah County