

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

RESOLUTION NO. 2013-059

Approving a Lease of Real Property to Albertina Kerr Centers, Inc. for Property Located at 2124 N. Williams Ave., Portland, Oregon, and Authorizing County Chair to Execute Appropriate Documents to Complete the Transaction.

The Multnomah County Board of Commissioners Finds:

- a. The former Port City property ("Property"), located at 2124 N. Williams, Portland, Oregon, is a vocational training center for developmentally disabled County residents located on approximately 1.15 acres.
- b. Port City conveyed the Property to the County on April 11, 2013, in satisfaction of Port City's financial obligation to the County, under the terms of Resolution 2013-029, dated March 21, 2013. The County has not "participate[d] in the management of a facility" as that phrase is used and defined in Oregon Revised Statutes (ORS) 465.200 et seq. and Oregon Administrative Rules (OAR) 340-122-120 concerning the Property, and accepted title "primarily to protect a security interest" as that phrase is used and defined in ORS 465.200 et seq. and OAR 340-122-120.
- c. A material consideration for release of Port City from its full payment obligation was continued operation of the vocational training center on the Property, through Port City's transfer of its operating agreement to another qualified vocational services provider. The County now wishes to lease the Property directly to Albertina Kerr Centers, Inc. to provide continued use of the Property for such vocational training.
- d. It is in the best interests of the County to lease the Property on the terms and conditions set forth in the attached lease.

The Multnomah County Board of Commissioners Resolves:

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

ADOPTED this 16th day of May, 2013.



BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Jeff Cogen, Chair

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

By
Kenneth M. Elliott, Assistant County Attorney

SUBMITTED BY: Sherry J. Swackhammer, Director, Dept. of County Assets.

LEASE

Date: May 16, 2013 ("Effective Date")

Between: Multnomah County, Oregon ("Landlord")
Facilities and Property Management
Attn: Asset Management-Leases
401 N. Dixon Street
Portland, OR 97227
Phone: (503) 988-3322
FAX: (503) 988-5082

And: Albertina Kerr Centers, Inc. ("Tenant")
424 N.E. 22nd Avenue
Portland, OR 97232
Phone: (503) 239-8101
FAX: (503) 239-8106

RECITALS

- A. **WHEREAS**, on November 7, 2000, Landlord issued its \$2,000,000 Motor Vehicle Rental Tax Revenue Bonds, Series 2000A (501(c)(3)) (the "Bonds") to finance the construction, renovation, improvement and equipping of certain facilities on real property acquired by Port City at 2124 N. Williams Ave., Portland, further described in Sub-Section 1.4 of this agreement (the "Premises"), for use as a vocational training center subleased and operated by The Port City Development Center, an Oregon non-profit corporation ("Port City");
- B. **WHEREAS**, on November 1, 2000, Landlord and Port City entered into a Ground Lease Agreement ("Ground Lease") of the Premises from Port City to Landlord, and a Sublease Agreement, of the Premises from Landlord to Port City, providing for Port City's payment of monthly rent to be used by Landlord to repay the Bonds (the "Sublease");
- C. **WHEREAS**, by letter dated January 9, 2013, Landlord provided Port City written notice of a Sublease Default in accordance with Section 11.1(a) of the Sublease;
- D. **WHEREAS**, Section 11.2 (e) of the Sublease, as amended by the Second Amendment, granted Port City, in the event of a Sublease Default for non-payment of rent and for so long as Port City remained in full compliance with all other terms of the Sublease, the right to sell the Premises on or before one year from the date set forth in the notice of Sublease Default and to occupy the Premises for the uses permitted by the Sublease pending the sale;
- E. **WHEREAS**, Port City notified Landlord of Port City's intent to discontinue its use of the Premises, its intent not to continue to occupy the Premises after February 1, 2013, or attempt to sell the Premises, and its willingness to convey its right, title and interest in and to the Premises to Landlord, in full satisfaction of its obligation to pay the total Rental Amounts required by the Sublease;

- F. **WHEREAS**, a material consideration for Landlord's release of Port City from its full payment of the Rental Amounts is continued operation of the vocational training center on the Premises, through Port City's transfer of its operating agreements to another qualified vocational services provider;
- G. **WHEREAS**, in accordance with Section 10.1 of the Sublease, Port City requested Landlord's consent to Port City's sublease of its interest in the Sublease to Tenant and Landlord consented to such sublease effective February 1, 2013, on a month-to-month basis;
- H. **WHEREAS**, during the term of the Sublease, Landlord did not "participate in the management of a facility" as that phrase is used and defined in Oregon Revised Statutes (ORS) 465.200 et seq. and Oregon Administrative Rules (OAR) 340-122-120 concerning the Premises, and has now accepted title to the Premises to secure repayment of the Bonds and therefore "primarily to protect a security interest" as that phrase is used and defined in ORS 465.200 et seq. and OAR 340-122-120; and
- I. **WHEREAS**, Landlord now wishes to lease the Premises directly to Tenant, and Tenant wishes to lease the Premises directly from Landlord;

NOW, THEREFORE, in consideration of the above recitals, which are a material part of this agreement, and the mutual covenants and agreements set forth herein, Landlord leases to Tenant and Tenant leases from Landlord the PPremises on the terms and conditions stated below (the "Lease"):

Section 1. Occupancy

- 1.1 **Original Term.** The term of the Lease shall commence on the Effective Date and continue through **June 30, 2014**, unless sooner terminated as hereinafter provided.
- 1.2 **Possession.** Tenant's right to possession and obligations under the Lease shall commence upon full execution of the Lease.
- 1.3 **Renewal Option.** If Tenant is not in default at the time the option is exercised or at the time the renewal term is to commence, Tenant shall have the option to renew the Lease for TWO (2) terms of ONE (1) year, as follows:
- (1) The renewal term shall commence on the day following expiration of the preceding term.
 - (2) The option shall be exercised, if at all, by written notice to Landlord given not less than ninety (90) days prior to the last day of the expiring term. The giving of such notice shall be sufficient to make the Lease binding for the renewal term without further act of the parties.
 - (3) The terms and conditions of the Lease for each renewal term shall be identical with the original term except for rent and except that, in the final renewal term, Tenant will no longer have any option to renew the Lease.
- 1.4 **The Premises.** The Premises commonly known as the "PORT CITY DEVELOPMENT CENTER", which is located at 2124 N. Williams Avenue, Portland, Oregon 97227; as more particularly shown on the attached Exhibit "A".
- 1.5 **Condition of the Premises.** By acceptance of possession of the Premises hereunder, Tenant acknowledges that 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 as to the condition, use, or occupancy that may be made thereof and that the area of the Premises is as set forth above in the Premises description.

Section 2. Rent.

- 2.1 Base Rent.** During the original term, Tenant shall pay to Landlord as **Base Rent the sum of \$3,350.00 per month** which reflects the costs realized by Landlord to ready the Premises for Tenant along with estimated maintenance costs during the Primary term of the Lease. Rent shall be payable in advance on the first day of each month at the address for Landlord first above stated or at such place as may be designated by Landlord.

Section 3. Use of the Premises.

- 3.1 Permitted Use.** The Premises shall be used as a center for vocational training of developmentally disabled residents of Multnomah County. The Premises shall be used for no other purpose without the consent of Landlord, which may be refused or granted in Landlord's sole discretion.

- 3.2 Restrictions on Use.** In connection with the use of the Premises, Tenant shall:

- (1) Conform to all applicable laws and regulations of any public authority affecting the Premises and the use, and correct at Tenant's own expense any failure of compliance created through 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.
- (2) 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.
- (3) 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.
- (4) Refrain from loading the electrical system or floors beyond the point considered safe by a competent engineer or architect.
- (5) 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.

- 3.3 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 practicable measures to minimize the quantity and toxicity of Hazardous

Substances used, handled, or stored on the Premises. Upon the expiration or termination of the Lease, Tenant shall remove all Hazardous Substances 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.

- 3.4 Easement & Equitable Servitude.** Landlord's predecessor-in-interest, Port City, negotiated and executed with the Oregon Department of Environmental Quality ("DEQ") an Easement & Equitable Servitude, recorded May 24, 2005 (the "E&ES"), and DEQ subsequently issued a Conditional No Further Action letter to Port City dated July 5, 2005. The E&ES requires the owner or occupant of the Premises to notify DEQ and obtain its approval prior to disturbing the soils beneath the capped concrete floor. As the occupant of the Premises under the Lease, Tenant shall comply with this requirement in the E&ES.

Section 4. Repairs and Maintenance

- 4.1 Maintenance and Repair of Premises.** Responsibilities for repair and maintenance of the Premises shall be as follows:

- (1) Landlord shall perform all necessary maintenance and repair as determined necessary in Landlord's sole discretion to the structure, foundation, exterior walls, and roof, of the Building.
- (2) Landlord shall maintain, repair or replace the heating, air conditioning, plumbing, electrical, and lighting systems in the premises as determined necessary in Landlord's sole discretion.
- (3) Tenant expressly waives the benefits of any statute now or later in effect that would otherwise give Tenant the right to make repairs at Landlord's expense and deduct that cost from Rent owing to Landlord.
- (4) Landlord shall have no liability for failure to perform required maintenance and repair unless written notice of such maintenance or repair is given by Tenant or if Landlord fails to commence efforts to remedy the problem in a reasonable time and manner.

- 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) Any repairs or alterations required under Tenant's obligation to comply with laws and regulations as set forth in Section 3.2.1.
- (3) Tenant shall take good care of the Premises and shall be responsible for all repairs that Landlord is not required to make under Section 4.1, including, but not limited to, repair and/or replacement of windows and doors and any repair and/or replacement necessary to mitigate Tenant's ordinary wear and tear of the Premises, and all other

repairs of the Premises. Tenant shall also be responsible for maintenance and repair of all out buildings and garden areas.

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 No Alterations Required. Tenant has inspected the Premises to its satisfaction and accepts the Premises 'AS-IS, WHERE IS,' accepts the environmental remediation now completed by Landlord, and has determined no further improvements or alterations are necessary prior to Tenant's occupancy.

5.2 Future Alterations. Tenant shall make no improvements or alterations on the Premises of any kind without first obtaining Landlord's written consent. If Landlord in its sole discretion approves any proposed alterations, all such approved alterations shall be made in a good and workmanlike manner, and in compliance with all applicable laws, building codes and the E&ES. Landlord reserves the right to perform work associated under this section, and Tenant shall reimburse Landlord for such work within thirty (30) days after receipt of invoice from the 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 the applicable Landlord's consent or work sheet specifically provides otherwise. Improvements and alterations installed by Tenant shall, at Landlord's option, be removed by Tenant and the Premises restored unless the applicable Landlord's consent or work sheet specifically provides otherwise.

Section 6. Insurance

6.1 Fire Insurance. Tenant shall bear the expense of any insurance insuring the property of Tenant on the Premises against fire and other risks covered by standard fire insurance policy with an endorsement for extended coverage.

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 \$4,000,000 and a per occurrence limit of not less than \$2,000,000. 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 such insurance 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 Waiver of Subrogation. Neither party shall be liable to the other (or to the other's successors or assigns) for any loss or damage caused by fire or any of the risks enumerated in a standard fire insurance policy with an extended coverage endorsement, and in the event of insured loss, neither party's insurance company shall have a subrogated claim against the other. This waiver shall be valid only if the insurance policy in question expressly permits waiver of subrogation or if the insurance company agrees in writing that such a waiver will not affect coverage under the policies. Each party agrees to use best efforts to obtain such an agreement from its insurer if the policy does not expressly permit a waiver of subrogation.

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 fee or charge relating to the ownership, use or rental of the Premises, other than taxes on net income of Landlord. If Tenant has a tax exempt status, it shall be Tenant's sole responsibility to file for Property Tax exemption for the leased Premises within thirty (30) days from commencement of the Lease. Failure to file shall result in penalty up to and including full charge for Property Taxes assessed to the Premises.

7.1 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.

7.2 Contest of Taxes. Tenant shall be permitted to contest the amount of any tax of 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.

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

Section 8. Services and Utilities.

8.1 Tenant Responsibilities. Tenant will cause the following utilities and services to be furnished to the Premises: Water; Sewer; Electricity; Gas; Janitorial Services; Trash Pickup and Disposal; Window Washing (exterior); Window Washing (interior), and Telephone Service. In no event shall Tenant overload the electrical circuits from which Tenant obtains current. Tenant shall also be responsible for any and all security measures and access controls related to the Premises.

8.2 Recycling Materials. Tenant shall support the policy for recycling materials as provided in ORS 227.450 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 Partial Damage.** If the Premises are partly or wholly damaged, repair or restoration is 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 no 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 upcoming 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 and Indemnity

10.1 Liens

- (1) 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. Any amount so added shall bear interest at the rate of eight percent (8%) per annum from the date expended by Landlord and shall be payable on demand. Such action by Landlord shall not constitute a waiver of any right or remedy which Landlord may have on account of Tenant's default.
- (2) Tenant may withhold payment of any claim in connection with a good-faith dispute over the obligation to pay, as long as Landlord's property interests are not jeopardized. If a lien is filed as a result of nonpayment, Tenant shall, within ten (10) days after knowledge of the filing, secure the discharge of the lien or deposit with Landlord cash or sufficient corporate surety bond or other surety satisfactory to landlord in an amount sufficient to discharge the lien plus any costs, attorney fees, and other charges that could accrue as a result of a foreclosure or sale under the lien.

- 10.2 Indemnification.** Tenant shall hold harmless, defend and indemnify Landlord from any claim, loss, expense, action or liability arising out of or related to any activity or omission of Tenant on the Premises or any condition of the Premises in the possession or under the control of Tenant. Landlord shall have no liability to Tenant for any injury, loss, or damage, caused by third parties, or by any condition of the Premises except to the extent caused by Landlord's negligence under the Lease.

Section 11. Quiet Enjoyment. Landlord warrants that it is the owner of the Premises and has the right to lease them. Tenant shall peacefully have, hold, and enjoy the Premises, subject to the terms and conditions of the Lease, provided that Tenant timely and fully performs all of its covenants, duties, and obligations under the Lease.

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 Premises be conferred on any third person by any other means, without Landlord's prior, written consent, which may be granted, conditioned or denied at Landlord's sole discretion.

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 in 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 of or the levying of execution on the leasehold interest 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 rights 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 at 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 as provided herein, 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 Premises 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) 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 the Lease except the provisions for term 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 the 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 this Section 15.3, the tenancy 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 the 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 the 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 the 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, the Lease shall be binding on and inure to the benefit of the parties and their respective successors and assigns.
- 16.4 Entry for Inspection and Marketing.** Landlord shall, subject to the provisions of Section 4.3, have the right to enter upon the Premises at any time to determine Tenant's compliance with the Lease, to make necessary repairs to the Premises or, following forty-eight (48) hours' advance notice to Tenant, to show the Premises to any prospective purchaser. In addition, Landlord shall have the right, at any time during the term of the Lease, to place and maintain upon the Premises notices for selling of the Premises.
- 16.5 Interest on Rent and Other Charges.** Any rent or other payment required of Tenant by the Lease shall, if not paid within ten (10) days after it is due, bear interest at the rate of eight percent (8%) 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.

- 16.6 Proration of Rent.** In the event of commencement or termination of the 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 the Lease.
- 16.8 Early Termination.** Landlord or Tenant may terminate the Lease for any reason with minimum ninety (90) day written notice to the other party.
- 16.9 Entire Agreement, Amendments.** The Lease represents the entire agreement between the parties with respect to Landlord's lease of the Premises to Tenant. All amendments and modifications to the Lease must be in writing and signed by both parties.
- 16.10 Governing Law Venue, Consent to Jurisdiction.** The 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.

IN WITNESS HEREOF, the duly authorized representatives of the parties have executed the Lease effective as of the Effective Date.

LANDLORD:
Multnomah County,
An Oregon political subdivision

By: [Signature]
Jeff Cogen, Chair
Title:
Reviewed By:

JENNY M. MORE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY

[Signature]
Kenneth M. Elliott
Assistant County Attorney
Date: May 16, 2013

TENANT:
Albertina Kerr Centers, Inc.
An Oregon non-profit corporation

By: [Signature]
Name: CHRISTOPHER J. KUPENIC, CEO
ALBERTINA KERR CENTERS