

DATE: 9/28/93

**METROPOLITAN
FAMILY
SERVICES**

TO: Neil Saling

FAX #: 797-1796

PAGES: Five (5)



FROM: **BRAD PIHAS**

FAX #: **(503) 221-4873**

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COMMENT: *Neil*
I'll wait to talk to you at 1:00.
Brad

CB COMMERCIAL REAL ESTATE GROUP, INC.

Form No. 800 Rev. 6/91

September 28, 1993

DRAFT

Mr. John Van Zonneveld
MACADAM FORBES
1800 S.W. First Avenue, Suite 100
Portland, Oregon 97201

RE: PROPOSAL TO LEASE METRO CENTER

Dear John:

Outlined below are the terms agreeable to the Metropolitan Service District for the future occupancy of Metropolitan Family Services in the property located at 2000 S.W. Front Avenue in Portland. The terms are as follows:

1. Tenant: Metropolitan Family Services.
2. Premises: Approximately 8,230 useable square feet, located on the second floor as outlined on the enclosed floor plan.
3. Lease Term: The Lease Term shall be for ten (10) years, plus the Free Rent period commencing December 1, 1993.
4. Rate: The lease rate shall be as follows based on the useable square footage (no load factor). All rates are quoted on a full service basis:

Years 1-5: \$13.75/s.f., annual rate
Years 6-10: \$14.50/s.f., annual rate

Landlord agrees, at Landlord's expense, to provide all utilities and janitorial services for Tenant.

5. Rental Concession: Landlord shall provide Tenant with five (5) months of Free Rent at the on-set of the lease term.

- ✓ 6. Effective Rental Rate: The Effective Rental Rate is \$13.55 per square foot, full service. Again, this rate is based on the useable square footage and there will be no load factor.

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7. Rental Rate Comparison: This compares the rates in your proposal dated September 16, 1993, with this proposal.
- ~~9/16 Proposal - \$12.75 x 9,052 s.f. = \$9,617.75/month.
Our Proposal - \$13.55 x 8,230 s.f. = \$9,293.09/month.~~
8. Rental Adjustment: Increases in Operating Expenses above and beyond the Base Year of 1993 will be passed through to the tenant on a pro rata basis. Operational expenses shall not increase in any given year by more than six percent (6%).
9. Tenant Improvements: Landlord shall provide tenant with an allowance of \$15.00/s.f., One Hundred Twenty Three Thousand Four Hundred Fifty (\$123,450.00) Dollars. The tenant shall pay the remainder prior to occupancy. Tenant shall have the option to reduce the Tenant Improvement costs by revising the space plan.
10. Signage: Landlord will provide Tenant with Signage on the existing monument sign on S.W. First Avenue. Also, Landlord will provide interior directory and entry suite Signage.
11. Parking: Landlord shall provide Tenant with free surface parking for 24 parking stalls. Parking is on a first come, first service basis.
12. Non-Appropriation: The Landlord understands the requirement for State and County funding; however, the Landlord will, in the case of Non-Appropriation, require the repayment of all unamortized fees and Tenant Improvement costs.
13. Cleaning & Maintenance Service: Cleaning and maintenance will be provided five (5) days per week.

14. Tax Exempt Status:

Tenant is responsible for filing, and qualifying for Tax Exempt Status. The building ownership will pass through all savings, based on the Tenant's qualifying for this tax savings. If for any reason, Metropolitan Family Services does not qualify for this tax exemption, the building ownership shall have no liability with regards to this matter.

15. Rental Deposit:

Upon mutual execution, the Landlord will require a Security Deposit equal to the last month's rental amount.

16. Compliance with ADA:

Landlord shall covenant to Lessee that building is in Compliance with ADA. Landlord shall be responsible for all costs and expenses, if any, in complying with the Americans With Disabilities Act of 1990, Public Law 101-336 (the ADA) and any future enactments. As such law may be amended from time, to time, Landlord hereby covenants to Tenant that any alterations or additions to the Property will be performed in such a manner so as to comply with the ADA. In addition, Landlord shall provide and install necessary access to 2nd (main) floor for handicap access from First Avenue entry of building.

17. HVAC and Environmental Concerns:

Tenant, at Tenant's expense, has employed an indoor air quality environmental specialist. Said Lease Agreement shall be subject to the resolve of certain concerns and issues, which shall be noted in itemized form and at Landlord's expense. Furthermore, upon execution of Lease, HVAC inspection fees, to a maximum of One Thousand Five Hundred and No/the (\$1,500.00) Dollars, shall be reimbursed to Metropolitan Family Service. Landlord shall further covenant to Lessee that building is in full compliance with environmental heating, ventilation and air conditioning government standards.

18. Expansion:

Tenant shall have first right of Expansion on adjacent available office space to the northwest corner, on the floor during the lease term, and at the same terms and conditions of the initial lease. Said right of Expansion shall expire one year from occupancy. Tenant shall have four (4) business days to respond to the first right of refusal once it is presented by the Landlord.

19. Board Approval:

It is understood that this Agreement and the eventual Lease Agreement must be approved by each independent organizations board.

THIS PROPOSAL IS SUBMITTED AS A GENERAL INTENTION BY METROPOLITAN FAMILY SERVICE TO LEASE OFFICE SPACE. THE PARTIES MUTUALLY INTEND THAT NEITHER SHALL HAVE ANY BINDING CONTRACTUAL OBLIGATION TO THE OTHER WITH RESPECT TO THE MATTERS REFERRED TO HEREIN UNLESS AND UNTIL A FORMAL WRITTEN CONTRACT HAS BEEN PREPARED WITH ADEQUATE OPPORTUNITY TO BE REVIEWED BY LEGAL COUNSEL AND HAS BEEN FULLY EXECUTED AND DELIVERED BY THE PARTIES.

Best regards,

CB COMMERCIAL REAL ESTATE GROUP, INC.

Brad Pihas
Vice President
(503) 221-4876

BP:bg