

DATE: 10/5/93

TO: Neil Saling

MFS

FAX #: 797-1796

PAGES: Five (5)



FROM: BRAD PIHAS

FAX #: (503) 221-4873

VOICE #: (503) 221-1900

COMMENT: Neil,
Please call me and we'll discuss
this proposal. I need to have
a response no later than Thursday
A.M. Thanks,
I also need to know which
lease document we are planning
on using. BRAD

CB COMMERCIAL REAL ESTATE GROUP, INC.



October 4, 1993

Mr. Brad Pihas
CB Commercial
1300 SW Fifth, Suite 2600
Portland, Oregon 97201

RE: **Proposal to Lease Office Space:**
Metro Center Office Building, Portland, Oregon

Dear Brad:

Thank you for your counter proposal dated September 28, 1993 relative to our client's proposal to lease office space within the aforementioned building. Upon Metropolitan Family Service's review of your counter proposal, MFS has agreed to enter into a Lease Agreement subject to the terms and conditions as outlined below:

1. **TENANT:**

Metropolitan Family Service

2. **PREMISES:**

Approximately 8,230 usable square feet, located on the Second Floor per a mutually agreeable floor plan.

3. **LEASE TERM:**

The lease term shall commence upon the mutually acceptable completion date of tenant's space for occupancy, but no later than December 1, 1993.

4. **RATE:**

The lease rate shall be as follows and is quoted on a full service basis:

<u>MONTH</u>	<u>ANNUAL RATE/SF</u>	
1 - 5	\$ 0	
6 - 60	\$13.25	We have tentatively agreed to \$13.75 with six (6) months free rent.
61 - 120	\$14.50	

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

5. RENTAL CONCESSION:

Landlord shall allow Tenant with ^{six (6)} ~~Five (5)~~ consecutive months free rent commencing upon occupancy of said space.

6. 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 Five (5%) percent. *This was adjusted from six (6) percent.*

7. TENANT IMPROVEMENTS:

Landlord shall provide Tenant with an allowance of Fifteen and no/100 (\$15.00) dollars per square foot, or One hundred twenty-three thousand four hundred fifty and no/100 (\$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.

8. SIGNAGE:

Landlord, at Landlord's sole expense, shall provide Tenant with either a free-standing "monument"-type sign within close proximity to SW First Avenue, or redesign existing monument sign to allow ample large tenant signage agreeable to Tenant.

9. PARKING:

To be the existing monument sign, limited to two (2) tenants and lettering to be approved in lease

Landlord shall provide Tenant with free surface parking ^{Eight (8)} ~~for twenty-four (24)~~ parking stalls. Said Tenant stalls shall include ~~Ten (10)~~ of which shall be designated as Metropolitan Family Service Visitor parking only. *The location of these spaces is flexible*

10. NON-APPROPRIATION:

(?) If sufficient funds are not provided in the State of Oregon, Multnomah or Washington Counties budgets to fund and sustain the current program with adequate operating margins, or if by legislative, administrative or market action, participation by Metropolitan Family Service shall be ceased, Lessee may terminate this Lease without further liability by giving Lessor not less than ninety (90) days' written notice. The Landlord will, in the case of Non-Appropriation, require the repayment of all unamortized fees and Tenant Improvement costs within the first Five (5) years of initial term only.

11. CLEANING AND MAINTENANCE SERVICE:

Cleaning and maintenance will be provided Five (5) days per week.

12. 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 Service does not qualify for this tax exemption, the building ownership shall have no liability with regards to this matter.

13. RENTAL DEPOSIT:

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

14. COMPLIANCE WITH ADA:

Landlord shall covenant to Lessee that building is in full 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 ramp access and parking to 2nd (main) floor for handicap access from First Avenue entry of building.]

*We need
to disc*

15. 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/100 (\$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.

16. **EXPANSION:**

We agreed to the expansion space being leased for (36) thirty six months. I will have six (6) months to find a tenant.

Tenant shall have the first right of expansion into the remaining adjacent 2,300± square feet (NW corner). In the event that Metropolitan Family Service elects not to lease said expansion space, during the first year of the initial lease term, MFS will then have the first right to lease said 2,300± upon the commencement of their Fourth (4th) year of occupancy. Said expansion by Tenant shall be at the same terms and conditions as the initial lease term and shall be coterminous with the original term expiration. Tenant shall provide Landlord written notice by no later than August 31, 1996 as to Tenant's intentions to occupy said space. Landlord shall provide all tenant improvements at Landlord's sole expense.

Total time forty + (42) months.

17. **BOARD APPROVAL:**

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

18. **PROPOSAL EXPIRATION DATE:**

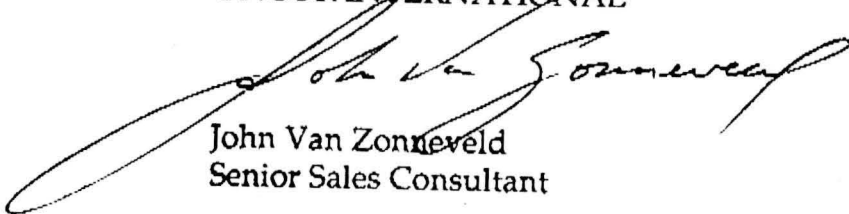
This Proposal shall expire at Midnight, October 8, 1993.

This Proposal is submitted as a general intention by Metropolitan Family Service to lease office space. The parties mutually agree 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 executed and delivered by all parties.

Brad, I appreciate the opportunity to submit this counter proposal for your review and acceptance. We look forward to your approval of this document and to an expedient lease consummation. Please feel free to contact me at 227-2500 with any questions you may have.

Sincerely,

MACADAM FORBES, INC.
ONCOR INTERNATIONAL


John Van Zonneveld
Senior Sales Consultant

JVZ:dc