

THIS LEASE, made and entered into at the City of Portland, Oregon this **Second** day of

January 19 **80**, by and between **HAMILTON BUILDING, A Partnership**

hereinafter called the Lessor,

and **CITY OF PORTLAND, OREGON**

hereinafter called the Lessee, WITNESSETH:

The Lessor hereby leases to the Lessee the following described premises in consideration of

~~(\$xx)~~ ~~XXXXXXXXXXXXXXXXXXXX~~ and in accordance with the terms, covenants and conditions herein set forth:

Premises ~~Rooms Numbered~~ ~~XXXXXXXXXX~~ The entire third floor.

in the **HAMILTON BUILDING** Portland, Oregon

Term For the term beginning on the **1st** day of **March** 19 **80**
and expiring on the **28th** day of **February** 19 **83**,

Rental For a monthly rental of **TWO THOUSAND FIVE HUNDRED SEVENTEEN ******* and **50** /100

Dollars (\$ **2,517.50**), ~~except rental for the month of~~ ~~19~~ ~~XXXXXXXXXXXXXXXXXXXX~~ ~~XXXXXX~~

payable monthly in advance on the first day of each and every calendar month, at the office of the Lessor or the Lessor's agent.

The Lessee covenants and agrees as follows:

- 1.1 Payment** The Lessee will pay said monthly rental in lawful money of the United States at the office of the Lessor or Lessor's agent, in advance on the first day of each and every calendar month of said term. Rent for a part of a month shall be prorated in proportion to the number of days of the month included in the term of this lease.
- 1.2 Delivery of Possession** Should Landlord be unable to deliver possession of the Premises on the date fixed for the commencement of the term, Tenant shall owe no rent until notice from Landlord tendering possession to Tenant. If possession is not so tendered within 45 days following commencement of the term, then Tenant may elect to cancel this lease by notice to Landlord within 10 days following expiration of the 45-day period. ~~Landlord shall have no liability to Tenant for delay in delivering possession, nor shall such delay extend the term of this lease in any manner.~~
- 1.3 Unpaid Rent** ~~If rent is not paid within 10 days after it is due, Lessor may at its option impose a late charge of \$ 25.00. Unpaid rent shall bear interest at the rate of 10 percent per annum from the date it is due until paid.~~
- 2.1 Use** The Lessee will use and occupy said premises for **General Offices** and for no other purposes; and the Lessee will at Lessee's own expense repair any damage caused by the Lessee or any of Lessee's employees or agents, or licensees or invitees.
- 2.2 Assignment and Sub-letting** The Lessee will not assign this lease or any interest hereunder, and will not permit any assignment hereof by operation of law, and will not sub-rent or sub-let said premises or any portion thereof, and will not permit the use or occupancy of said premises by other than the Lessee and his agents and employees of the Lessee, without first obtaining the written consent of the Lessor.
- 2.3 Alterations** The Lessee will make no alterations in or additions to said premises without first obtaining the written consent of the Lessor, and all additions, improvements and fixtures (except the movable office furniture of the Lessee) made or added either by the Lessee or Lessor shall be and remain the property of the Lessor; provided, however, the Lessor may require that the Lessee remove upon termination of this lease any additions made or fixtures added by the Lessee at the Lessee's expense.

2.4 Uses Prohibited

The Lessee will not do or permit in said premises anything that will increase the rate of fire insurance thereon or prevent the Lessor's taking advantage of any ruling of the Insurance Services Office of Oregon or its successors, which would allow the Lessor to obtain reduced rates for long term insurance policies; or maintain anything that may be dangerous to life or limb; or in any manner deface or injure said building or any portion thereof; or overload the floors; or permit any objectionable noise or odor to escape or to be emitted from said premises; or permit anything to be done upon said premises in any way tending to create a nuisance or to disturb any other tenants of the building, or to injure the reputation of the building; or to use or permit the use of said premises for lodging or sleeping purposes, or for any immoral or illegal purposes; and that the Lessee will comply at Lessee's own cost and expense with all orders, notices, regulations or requirements of any municipality, state or other governmental authority respecting the use of said premises.

3.1 Liability for Injury and Damage

The Lessor shall not be liable to the Lessee for damage to person or property resulting from the negligence of a co-tenant or anyone else other than the Lessor, or for any damage to person or property resulting from any condition of the premises or other cause, including but not limited to damage by water, not resulting from the negligence of the Lessor.

3.2

The Lessee shall indemnify and save harmless the Lessor against and from any and all claims by or on behalf of any person, firm or corporation arising from the conduct or management of or from any work or thing whatsoever done by the Lessee or its agents, contractors, servants or employees in or about the demised premises or the building, and will further indemnify and save the Lessor harmless against and from any and all claims arising from any breach or default on the part of the Lessee in the performance of any covenant or agreement on the part of the Lessee to be performed, pursuant to the terms of this lease or arising from any act or negligence of the Lessee, or any of its agents, contractors, servants or employees, occurring during the term of this lease in or about the demised premises or the building, and from and against all costs, counsel fees, expenses and liabilities incurred in or about any such claim or action or proceeding brought thereon. In case any action or proceeding be brought against the Lessor by reason of any such claim, the Lessor may, at its option, require that the Lessee resist or defend such action or proceeding at the Lessee's own cost and expense and by counsel reasonably satisfactory to the Lessor.

4.1 Vacation or Abandonment

Upon vacation or abandonment of the premises by the Lessee without the written consent of the Lessor endorsed hereon, the Lessor may forthwith enter upon the premises or any portion thereof and re-let and otherwise exercise control over the same and that for the purpose of such re-letting the said Lessor is authorized at the cost of the Lessee to make any repairs, changes, alterations or additions in or to said demised premises which may be necessary in the opinion of the Lessor for the purpose of such re-letting, and such entry and control shall not release the Lessee from the obligations herein, but Lessee shall nevertheless remain liable and continue bound, unless the Lessor, at Lessor's election, shall cancel the lease, and in that event cancellation shall be effected and Lessor and Lessee released from all obligations thereunder thereafter to accrue, upon the mailing of such notice of cancellation by Lessor to Lessee at Lessee's last known address.

5.1 Admittance by Pass-key

The Lessor shall not be liable for the consequences of admitting by pass-key or refusing to admit to said premises the Lessee or any of the Lessee's agents or employee or other persons claiming the right of admittance.

6.1 Signs

No sign, picture, advertisement or notice shall be displayed, inscribed, painted or affixed to any of the glass or woodwork of the premises hereby demised, except such as shall be approved by the Lessor and shall be painted by a sign painter designated by the Lessor; that no signs or devices shall be hung on or placed against the windows of said premises nor on the exterior wall of the building; and that no furniture, curtain or other obstruction of any kind or size shall be placed before the glass partition dividing said premises from the corridors of said building.

7.1 Electrical and Mechanical Devices

The Lessee shall not, without Lessor's written consent, operate or install any electrical equipment or operate or install any machinery or mechanical device on said premises other than that normal to office use.

8.1 Electrical Installations

No electric wiring, telegraph call boxes, or telegraphic, telephonic, or other electrical apparatus, including air conditioning equipment, shall be installed, maintained or operated on said premises except with the approval of and in a manner satisfactory to the Lessor; and in no event shall the Lessee overload the electrical circuits from which the Lessee obtains current.

9.1 Awnings

No awnings shall be attached to the outside of any windows of the premises hereby leased.

10.1 Windows

The Lessee shall not allow anything to be placed on the outside window ledges of said premises; and nothing shall be thrown out of the windows of said building by the Lessee or others.

11.1 Floor Coverings

Neither the Lessee nor or any other person, shall lay linoleum or other similar floor covering or attach or fix any covering to the walls or ceiling of the premises or any part thereof with paste material save and excepting one which may be easily removed with water. The use of cement or similar adhesive material is expressly prohibited. The tacking or fastening of any such material to the base board or molding is expressly prohibited. Prior to termination of this lease, Lessee, at its own expense, may remove any such floor, wall or ceiling coverings or materials, and upon so doing will restore the floor, wall or ceiling to the condition in which it existed at the time Lessee took possession under this lease. In the event Lessee removed such coverings and fails to restore the floor, walls or ceiling to that condition, Lessee on demand shall pay Lessor the cost of such restoration. If such covering is not removed prior to the termination of this lease the covering shall become and remain the property of Lessor.

12.1 Inspection of Premises

The Lessor and the Lessor's agents, janitors, workmen and engineers may retain and use a pass-key to the premises described herein to enable them to examine said premises from time to time with reference to any emergency or to the general maintenance of said premises, or for the purposes of exhibiting the same.

13.1 Care of Premises

The Lessee shall at all times take good care of the demised premises.

14.1 Surrender of Premises

At the expiration or sooner termination of this lease, the Lessee will surrender and deliver up said premises to the Lessor, or those having the Lessor's estate therein, in the same condition as the Lessee now receives said premises, ordinary wear and tear and damage by fire and the elements alone excepted.

**15.1 Action
or Suit**

If any suit or action or appeal thereof is instituted by either party for the enforcement of any covenant contained in this lease, the prevailing party shall recover, in addition to costs and disbursements, such attorneys' fees as the court may adjudge reasonable to be allowed in such suit or action or appeal thereof.

**16.1 Default
Insolvency
and
Damages**

If the rent shall be in arrears for a period of ten (10) days; or if the Lessee fails to keep or perform any of the covenants or conditions of this lease; or if the leasehold interest of the Lessee shall be attached or levied on under execution; or if a petition is filed by Lessee for an arrangement with his creditors under Chapter 11 of the Bankruptcy Act; or if the Lessee shall be declared bankrupt or insolvent according to law; or if any assignment of the Lessee's property shall be made for the benefit of creditors, or otherwise, or if the Lessee fails to make prompt payment of any amounts due the Lessor in connection with the Lessee's occupancy of the premises, then, and in any of said events, the Lessor may at the Lessor's option at once, without notice to the Lessee or any other person, terminate this lease, and upon the termination of said lease at the option of the Lessor, as aforesaid, or at the expiration of this lease, and upon the termination of said lease by its terms, the Lessee will at once surrender possession of said premises to the Lessor and remove all the Lessee's effects therefrom; and if such possession be not immediately surrendered, the Lessor may forthwith enter into and on said premises and repossess them as of the Lessor's former estate and expel the Lessee, or those claiming under the Lessee, and remove the effects of any of them, forcibly if necessary, and lock said premises, without being deemed guilty in any manner of trespass and without prejudice to any remedies which might otherwise be used for arrears of rent or preceding breach of covenant; and that in such event the Lessee expressly waives the service of any notice of intention so to terminate this lease or to retake the premises, and waives service of any demand for payment of rent or for possession, and of any and every other notice or demand prescribed by any law of the State of Oregon.

16.2

In the event of termination on default, the Lessor shall be entitled to request immediately, without waiting until the due date of any future rent or until the date fixed for expiration of the lease term, any excess of the value of the Lessee's obligations under this lease, including the obligation to pay rent, from the date of default until the end of the term over the reasonable rental value of the property for the same period figured as of the date of default, plus the reasonable costs of reentry and reletting, including, without limitation, the cost of any cleanup, refurbishing, removal of the Lessee's property and fixtures or any other expense occasioned by the Lessee's failure to quit the demised premises upon termination or to leave them in the required condition, any remodeling costs, attorneys' fees, court costs, broker commissions and advertising costs, plus the unpaid cost of any tenant improvements being amortized over the term of this lease, plus the amount of the loss of reasonable rental value from the date of default until a new tenant has been, or, with the exercise of reasonable diligence, could have been, secured.

17.1 Liens

The Lessee shall not suffer or permit any mechanic's lien to be filed against the fee of the demised premises nor against the Lessee's leasehold interest in said premises by reason of work, labor, services or materials supplied or claim to have been supplied to the Lessee or anyone holding the demised premises or any part thereof through or under the Lessee, and nothing in this lease contained shall be deemed or construed in any way as constituting the consent or request of the Lessor, express or implied, by inference or otherwise, to any contractor, subcontractor, laborer or materialman for the performance of any labor or the furnishing of any materials for any specific improvement, alteration or repair of or to the demised premises or any part thereof, nor as giving the Lessee any right, power or authority to contract for or permit the rendering of any services or the furnishing of any materials that would give rise to the filing of any mechanic's lien against the fee of the demised premises. If any such mechanic's lien shall at any time be filed against the demised premises, the Lessee shall cause the same to be discharged of record within 20 days after the date of filing the same.

**18.1 Light
and Air**

This lease does not grant any rights of access to light and air over property.

**19.1 Building
Alterations
and
Repairs**

In the event the Lessor, during the term of this Lease, shall be required by the City of Portland, the order or decree of any court, or any other governmental authority, to repair, alter, remove, reconstruct, or improve any part of the demised premises or of the building of which said premises are part, then such repairing, alteration, removal, reconstruction or improvement may be made by and at the expense of the Lessor without any interference or claim for damages by the Lessee, but there shall be such an abatement or adjustment of rent as shall be just in proportion to the interference with Lessee's occupation of the premises; and that the Lessor and Lessor's agents and employees shall have the right from time to time during the term of this lease to enter into and upon said premises for the purposes of maintaining said premises and making such alterations and repairs and doing such other things thereto and to the equipment or building in which said premises are located, as may become necessary or advisable, without any interference or claim for damages by the Lessee.

**20.1 Damage
to
Premises**

In case the leased premises, or the building in which they are located, shall be destroyed or damaged by fire or other casualty, making the premises or building untenable, the Lessor may at Lessor's option, exercised within thirty (30) days from the happening of the casualty, elect to terminate this lease or to repair said damages. If the Lessor does not so elect to repair said damages, or the building containing said premises shall have been wholly destroyed, the lease may be terminated by either party as of the date of such damage. If the Lessor elects to repair said damages the Lessor shall at its own expense promptly repair the damages to said leased premises, and the Lessee shall be entitled to an abatement of the rent, or a fair and just proportion thereof, according to the nature of the damage sustained, until said premises have been made fit for occupancy and use.

20.2

If the Lessor becomes obligated to repair or reconstruct the premises or the building in which they are located, the Lessor shall be relieved of such obligation and the Lessor may terminate this lease if the Lessor is unable to obtain the necessary labor or materials, or if the Lessor is unable to perform such obligation due to any cause beyond its control, including, but not limited to, strikes, lockouts and labor disturbances, acts of civil or military authorities, restrictions by municipal authorities, restrictions by municipal ordinances or federal or state statutes, and military activity.

**21.1 Eminent
Domain**

If the premises or the building in which the same are located, or any part thereof, shall be taken or acquired by any municipal or other corporation having the right of eminent domain, either under said right or by purchase without the exercise of said right, the Lessor may at its option terminate this lease without paying any consideration to the Lessee, except that any unearned rental in its possession shall be refunded.

- 22.1 **Holding Over** If the Lessee shall hold over after the expiration of the term of this lease, and shall not have agreed in writing with the Lessor upon the terms and provisions of a new lease prior to such expiration, the Lessee shall remain bound by all the terms, covenants and agreements hereof, except that the tenancy shall be one from month to month.
- 23.1 **Electric Service** The Lessor shall furnish electric current and lamps for light in such quantity and of such wattage as in the Lessor's opinion shall be necessary; and if the tenant demands additional electric service, it is understood that the same shall be paid for at the public utility's regular scheduled rate.
- 24.1 **Elevator Service, Heat, Janitor Service** Elevator service and heat and janitor service will be furnished in accordance with the regular schedule of the building; but that failure to furnish elevator service, light or heat or janitor service, when such failure is caused by accidents, strikes or other causes beyond the reasonable control of the Lessor, shall not make for an abatement of rent, nor release the Lessee from the prompt fulfillment of any of the covenants of the Lessee under this lease or render the Lessor liable for damages therefor.
- 24.2 Lessor may change such schedule of janitorial service, or the nature and extent of such service, whenever Lessor shall deem such change necessary, desirable or expedient. Lessee shall be solely responsible for the professional cleaning and upkeep of any and all carpeting and drapery installed in the premises.
- 25.1 **Air Conditioning** If the monthly rental rate herein stipulated includes air conditioning to be provided by the Lessor it is understood and agreed that such air conditioning will be furnished in accordance with the regular schedule of the building, but that failure to furnish air conditioning, when such failure is caused by accidents, strikes or other causes beyond the reasonable control of the Lessor, shall not make for an abatement of rent, nor release the Lessee from the prompt fulfillment of any of the covenants of the Lessee under this lease or render the Lessor liable for damages therefor.
- 25.2 **Hours of Operation** Hours of operation for heating, ventilating and air conditioning equipment shall be from 8 A.M. to 5 P.M. Monday through Friday, except Holidays.
- 26.1 **Furniture and Bulky Articles** Sales, furniture or bulky articles shall be moved in or out of said premises only at such hours and in such manner as shall least inconvenience other tenants, and as the Lessor shall decide; and no safe or other article of over 1,000 pounds shall be moved into said premises without the consent of the Lessor, the Lessor to have the right to fix the position of any article of weight in said premises.
- 27.1 **Regulations** The Lessor, for the proper maintenance of said building, the rendering of good service, and the providing of safety, order and cleanliness may make and enforce regulations appropriate for such purposes but not in enlargement of or inconsistent with the terms, covenants and conditions of this lease.
- 28.1 **Waiver of Breach of Covenant** Any waivers shall be in writing. The covenants of this lease are continuing covenants and the waiver by the Lessor of breaches of said covenants shall not be deemed a waiver of subsequent breaches thereof.
- 29.1 **Modification** This lease may not be modified except by endorsement in writing attached to this lease, dated and signed by all the parties hereto, and Lessor shall not be bound by any oral or written statement of any servant, agent, or employee modifying this lease.
- 30.1 **Parties Affected** The rights, liabilities, and remedies provided for herein shall extend to the heirs, legal representatives, successors and, so far as the terms of this lease permit, assigns of the parties hereto, and the words "Lessor" and "Lessee" and their accompanying verbs or pronouns, wherever used in this lease, shall apply equally to all persons, firms or corporations which may be or become parties hereto.
- 31.1 **Waiver of Subrogation** Lessor shall be responsible for insuring the Premises and Tenant for insuring its personal property and trade fixtures located on the Premises. Neither party shall be liable to the other for any loss or damage caused by water damage, sprinkler leakage, or any of the risks covered by a standard fire insurance policy with an extended coverage endorsement, and there shall be no subrogated claim by one party's insurance carrier against the other party arising out of any such loss.
- 32.1 **Subordination** This lease shall be subject and subordinate to such liens and encumbrances as are now on or as lessor may hereafter impose on the land and building, and the lessee shall upon request of lessor, execute and deliver agreements of subordination consistent herewith.
- 33.1 **Escalation: Cost-of-Living Index** On each anniversary date of this lease the monthly rental shall be adjusted upward or downward in the same percentage as the increase or decrease in the Consumer Price Index published by the United States Department of Labor, Bureau of Labor Statistics. The change shall be computed by comparing the schedule entitled "U.S. City Average, All Items, All Urban Consumers, 1967=100" for the month preceding the month in which the lease term commenced with the same figure for the month preceding that in which the rent adjustment is to become effective. All comparisons shall be made using Index figures derived from the same base period, and in no event shall this provision operate to decrease the monthly rental for the Premises below the initial stated monthly rental. If the index cited above is revised or discontinued during the term of this lease then the index that replaces it in the Standard Office Building Lease adopted by Portland Association of Building Owners & Managers shall be used in its place. Notwithstanding the language above, this annual escalation shall not exceed 12% over the previous year's rental.

34.1 IMPROVEMENTS

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Lessor will deliver the premises in clean condition with partition, electrical and telephone modifications made as shown on the attached plan. The carpeting shall be cleaned.

35.1 AFTER HOURS OPERATION

Notwithstanding Paragraph 25.2 above, the Lessee shall have the right to after-hour operation provided Lessee shall pay for such service at the utilities regularly scheduled rate. After-hour heat shall be billed at \$0.64 per hour and air-conditioning shall be billed at \$0.31 per hour. These rates are subject to change in the same percentage proportion as any change in the rate charged the Lessor by the appropriate utility company.

36.1 OPTION TO RENEW

The Lessee shall have the option to renew this Lease for a one year period provided Lessor receives at least 180 days' written notice that Lessee is exercising this option. All terms and conditions shall remain the same except that monthly rental shall become equal to that rent due for the month of February 1983, escalated under the terms of Paragraph 33.1.

IN WITNESS WHEREOF, the parties hereto have executed this instrument in duplicate at the place and on the day and year first herein written, any corporate signature being by authority of the Board of Directors.

HAMILTON BUILDING

CITY OF PORTLAND

by

Melvin Mark, Jr.

by

APPROVED AS TO FORM

Lessor

Lessee

Christopher P. Thomas
CITY ATTORNEY



MELVIN MARK PROPERTIES

520 Southwest Sixth Ave., Portland, Oregon 97204, Tel. 223-4777

THIS LEASE, made and entered into at the City of Portland Oregon, this **Second** day of

January 19 **80**, by and between **LOYALTY BUILDING, A Partnership,**

hereinafter called the Lessor,

and **CITY OF PORTLAND, OREGON**

hereinafter called the Lessee, WITNESSETH:

The Lessor hereby leases to the Lessee the following described premises in consideration of

~~xxxx~~ ~~and xxxxxxxx 100 Dollars~~
~~xxxx~~ and in accordance with the terms, covenants and conditions herein set forth:

Premises ~~xxxxxx~~ ~~Rooms Numbered~~ The entire third floor,

in the **LOYALTY BUILDING** Portland, Oregon

Term For the term beginning on the **1st** day of **March** 19 **80**,
and expiring on the **28th** day of **February** 19 **83**

Rental For a monthly rental of **TWO THOUSAND NINE HUNDRED FIFTEEN** and **No/100**

Dollars (\$ **2,915.00**) ~~except rental for the month of~~ ~~1980 when xxxxxxxx~~

payable monthly in advance on the first day of each and every calendar month, at the office of the Lessor or the Lessor's agent.

The Lessee covenants and agrees as follows:

- 1.1 **Payment** The Lessee will pay said monthly rental in lawful money of the United States at the office of the Lessor or Lessor's agent, in advance on the first day of each and every calendar month of said term. Rent for a part of a month shall be prorated in proportion to the number of days of the month included in the term of this lease.
- 1.2 **Delivery of Possession** Should Landlord be unable to deliver possession of the Premises on the date fixed for the commencement of the term Tenant shall owe no rent until notice from Landlord tendering possession to Tenant. If possession is not so tendered within 45 days following commencement of the term, then Tenant may elect to cancel this lease by notice to Landlord within 10 days following expiration of the 45-day period. ~~Landlord shall have no liability to Tenant for delay in delivering possession, nor shall such delay extend the term of this lease in any manner.~~
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- 2.3 **Allerations** The Lessee will make no alterations in or additions to said premises without first obtaining the written consent of the Lessor, and all additions, improvements and fixtures (except the movable office furniture of the Lessee) made or added either by the Lessee or Lessor shall be and remain the property of the Lessor; provided, however, the Lessor may require that the Lessee remove upon termination of this lease any additions made or fixtures added by the Lessee at the Lessee's expense.

Please Initial

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The Lessee will not use or permit in said premises anything that will increase the rate of fire insurance thereon or prevent the Lessor's taking advantage of any ruling of the Insurance Services Office of Oregon or its successors, which would allow the Lessor to obtain reduced rates for long term insurance policies; or maintain anything that may be dangerous to life or limb; or in any manner deface or injure said building or any portion thereof; or overload the floors; or permit any objectionable noise or odor to escape or to be emitted from said premises; or permit anything to be done upon said premises in any way tending to create a nuisance or to disturb any other tenants of the building, or to injure the reputation of the building; or to use or permit the use of said premises for lodging or sleeping purposes, or for any immoral or illegal purposes; and that the Lessee will comply at Lessee's own cost and expense with all orders, notices, regulations or requirements of any municipality, state or other governmental authority respecting the use of said premises.

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The Lessee shall indemnify and save harmless the Lessor against and from any and all claims by or on behalf of any person, firm or corporation arising from the conduct or management of or from any work or thing whatsoever done by the Lessee or its agents, contractors, servants or employees in or about the demised premises or the building, and will further indemnify and save the Lessor harmless against and from any and all claims arising from any breach or default on the part of the Lessee in the performance of any covenant or agreement on the part of the Lessee to be performed, pursuant to the terms of this lease or arising from any act or negligence of the Lessee, or any of its agents, contractors, servants or employees, occurring during the term of this lease in or about the demised premises or the building, and from and against all costs, counsel fees, expenses and liabilities incurred in or about any such claim or action or proceeding brought thereon. In case any action or proceeding be brought against the Lessor by reason of any such claim, the Lessor may, at its option, require that the Lessee resist or defend such action or proceeding at the Lessee's own cost and expense and by counsel reasonably satisfactory to the Lessor.

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The Lessor and the Lessor's agents, janitors, workmen and engineers may retain and use a pass-key to the premises described herein to enable them to examine said premises from time to time with reference to any emergency or to the general maintenance of said premises, or for the purposes of exhibiting the same.

13.1 Care of Premises

The Lessee shall at all times take good care of the demised premises.

14.1 Surrender of Premises

At the expiration or sooner termination of this lease, the Lessee will surrender and deliver up said premises to the Lessor, or those having the Lessor's estate therein, in the same condition as the Lessee now receives said premises, ordinary wear and tear and damage by fire and the elements alone excepted.

- 15.1 **Action or Suit** If any suit or action or appeal thereof is instituted by either party for the enforcement of any covenant contained in this lease, the prevailing party shall recover, in addition to costs and disbursements, such attorneys' fees as the court may adjudge reasonable to be allowed in such suit or action or appeal thereof.
- 16.1 **Default Insolvency and Damages** If the rent shall be in arrears for a period of ten (10) days; or if the Lessee fails to keep or perform any of the covenants or conditions of this lease; or if the leasehold interest of the Lessee shall be attached or levied on under execution; or if a petition is filed by Lessee for an arrangement with his creditors under Chapter 11 of the Bankruptcy Act; or if the Lessee shall be declared bankrupt or insolvent according to law; or if any assignment of the Lessee's property shall be made for the benefit of creditors, or otherwise, or if the Lessee fails to make prompt payment of any amounts due the Lessor in connection with the Lessee's occupancy of the premises, then, and in any of said events, the Lessor may at the Lessor's option at once, without notice to the Lessee or any other person, terminate this lease, and upon the termination of said lease at the option of the Lessor, as aforesaid, or at the expiration of this lease, and upon the termination of said lease by its terms, the Lessee will at once surrender possession of said premises to the Lessor and remove all the Lessee's effects therefrom; and if such possession be not immediately surrendered, the Lessor may forthwith enter into and on said premises and repossess them as of the Lessor's former estate and expel the Lessee, or those claiming under the Lessee, and remove the effects of any of them, forcibly if necessary, and lock said premises, without being deemed guilty in any manner of trespass and without prejudice to any remedies which might otherwise be used for arrears of rent or preceding breach of covenant; and that in such event the Lessee expressly waives the service of any notice of intention so to terminate this lease or to retake the premises, and waives service of any demand for payment of rent or for possession, and of any and every other notice or demand prescribed by any law of the State of Oregon.
- 16.2 In the event of termination on default, the Lessor shall be entitled to request immediately, without waiting until the due date of any future rent or until the date fixed for expiration of the lease term, any excess of the value of the Lessee's obligations under this lease, including the obligation to pay rent, from the date of default until the end of the term over the reasonable rental value of the property for the same period figured as of the date of default, plus the reasonable costs of reentry and reletting, including, without limitation, the cost of any cleanup, refurbishing, removal of the Lessee's property and fixtures or any other expense occasioned by the Lessee's failure to quit the demised premises upon termination or to leave them in the required condition, any remodeling costs, attorneys' fees, court costs, broker commissions and advertising costs, plus the unpaid cost of any tenant improvements being amortized over the term of this lease, plus the amount of the loss of reasonable rental value from the date of default until a new tenant has been, or, with the exercise of reasonable diligence, could have been, secured.
- 17.1 **Liens** The Lessee shall not suffer or permit any mechanic's lien to be filed against the fee of the demised premises nor against the Lessee's leasehold interest in said premises by reason of work, labor, services or materials supplied or claim to have been supplied to the Lessee or anyone holding the demised premises or any part thereof through or under the Lessee, and nothing in this lease contained shall be deemed or construed in any way as constituting the consent or request of the Lessor, express or implied, by inference or otherwise, to any contractor, subcontractor, laborer or materialman for the performance of any labor or the furnishing of any materials for any specific improvement, alteration or repair of or to the demised premises or any part thereof, nor as giving the Lessee any right, power or authority to contract for or permit the rendering of any services or the furnishing of any materials that would give rise to the filing of any mechanic's lien against the fee of the demised premises. If any such mechanic's lien shall at any time be filed against the demised premises, the Lessee shall cause the same to be discharged of record within 20 days after the date of filing the same.
- 18.1 **Light and Air** This lease does not grant any rights of access to light and air over property.
- 19.1 **Building Alterations and Repairs** In the event the Lessor, during the term of this Lease, shall be required by the City of Portland, the order or decree of any court, or any other governmental authority, to repair, alter, remove, reconstruct, or improve any part of the demised premises or of the building of which said premises are part, then such repairing, alteration, removal, reconstruction or improvement may be made by and at the expense of the Lessor without any interference or claim for damages by the Lessee, but there shall be such an abatement or adjustment of rent as shall be just in proportion to the interference with Lessee's occupation of the premises; and that the Lessor and Lessor's agents and employees shall have the right from time to time during the term of this lease to enter into and upon said premises for the purposes of maintaining said premises and making such alterations and repairs and doing such other things thereto and to the equipment or building in which said premises are located, as may become necessary or advisable, without any interference or claim for damages by the Lessee.
- 20.1 **Damage to Premises** In case the leased premises, or the building in which they are located, shall be destroyed or damaged by fire or other casualty, making the premises or building untenable, the Lessor may at Lessor's option, exercised within thirty (30) days from the happening of the casualty, elect to terminate this lease or to repair said damages. If the Lessor does not so elect to repair said damages, or the building containing said premises shall have been wholly destroyed, the lease may be terminated by either party as of the date of such damage. If the Lessor elects to repair said damages the Lessor shall at its own expense promptly repair the damages to said leased premises, and the Lessee shall be entitled to an abatement of the rent, or a fair and just proportion thereof, according to the nature of the damage sustained, until said premises have been made fit for occupancy and use.
- 20.2 If the Lessor becomes obligated to repair or reconstruct the premises or the building in which they are located, the Lessor shall be relieved of such obligation and the Lessor may terminate this lease if the Lessor is unable to obtain the necessary labor or materials, or if the Lessor is unable to perform such obligation due to any cause beyond its control, including, but not limited to, strikes, lockouts and labor disturbances, acts of civil or military authorities, restrictions by municipal authorities, restrictions by municipal ordinances or federal or state statutes, and military activity.
- 21.1 **Eminent Domain** If the premises or the building in which the same are located, or any part thereof, shall be taken or acquired by any municipal or other corporation having the right of eminent domain, either under said right or by purchase without the exercise of said right, the Lessor may at its option terminate this lease without paying any consideration to the Lessee, except that any unearned rental in its possession shall be refunded.

- 22.1 **Holding Over** If the Lessee shall hold over after the expiration of the term of this lease, and shall not have agreed in writing with the Lessor upon the terms and provisions of a new lease prior to such expiration, the Lessee shall remain bound by all the terms, covenants and agreements hereof, except that the tenancy shall be one from month to month.
- 23.1 **Electric Service** The Lessor shall furnish electric current and lamps for light in such quantity and of such wattage as in the Lessor's opinion shall be necessary; and if the tenant demands additional electric service, it is understood that the same shall be paid for at the public utility's regular scheduled rate.
- 24.1 **Elevator Service, Heat, Janitor Service** Elevator service and heat and janitor service will be furnished in accordance with the regular schedule of the building; but that failure to furnish elevator service, light or heat or janitor service, when such failure is caused by accidents, strikes or other causes beyond the reasonable control of the Lessor, shall not make for an abatement of rent, nor release the Lessee from the prompt fulfillment of any of the covenants of the Lessee under this lease or render the Lessor liable for damages therefor.
- 24.2 Lessor may change such schedule of janitorial service, or the nature and extent of such service, whenever Lessor shall deem such change necessary, desirable or expedient. Lessee shall be solely responsible for the professional cleaning and upkeep of any and all carpeting and drapery installed in the premises.
- 25.1 **Air Conditioning** If the monthly rental rate herein stipulated includes air conditioning to be provided by the Lessor it is understood and agreed that such air conditioning will be furnished in accordance with the regular schedule of the building, but that failure to furnish air conditioning, when such failure is caused by accidents, strikes or other causes beyond the reasonable control of the Lessor, shall not make for an abatement of rent, nor release the Lessee from the prompt fulfillment of any of the covenants of the Lessee under this lease or render the Lessor liable for damages therefor.
- 25.2 **Hours of Operation** Hours of operation for heating, ventilating and air conditioning equipment shall be from 8 A.M. to 5 P.M. Monday through Friday, except Holidays.
- 26.1 **Furniture and Bulky Articles** Safes, furniture or bulky articles shall be moved in or out of said premises only at such hours and in such manner as shall least inconvenience other tenants, and as the Lessor shall decide; and no safe or other article of over 1,000 pounds shall be moved into said premises without the consent of the Lessor, the Lessor to have the right to fix the position of any article of weight in said premises.
- 27.1 **Regulations** The Lessor, for the proper maintenance of said building, the rendering of good service, and the providing of safety, order and cleanliness may make and enforce regulations appropriate for such purposes but not in enlargement of or inconsistent with the terms, covenants and conditions of this lease.
- 28.1 **Waiver of Breach of Covenant** Any waivers shall be in writing. The covenants of this lease are continuing covenants and the waiver by the Lessor of breaches of said covenants shall not be deemed a waiver of subsequent breaches thereof.
- 29.1 **Modification** This lease may not be modified except by endorsement in writing attached to this lease, dated and signed by all the parties hereto, and Lessor shall not be bound by any oral or written statement of any servant, agent, or employee modifying this lease.
- 30.1 **Parties Affected** The rights, liabilities, and remedies provided for herein shall extend to the heirs, legal representatives, successors and, so far as the terms of this lease permit, assigns of the parties hereto, and the words "Lessor" and "Lessee" and their accompanying verbs or pronouns, wherever used in this lease, shall apply equally to all persons, firms or corporations which may be or become parties hereto.
- 31.1 **Waiver of Subrogation** Lessor shall be responsible for insuring the Premises and Tenant for insuring its personal property and trade fixtures located on the Premises. Neither party shall be liable to the other for any loss or damage caused by water damage, sprinkler leakage, or any of the risks covered by a standard fire insurance policy with an extended coverage endorsement, and there shall be no subrogated claim by one party's insurance carrier against the other party arising out of any such loss.
- 32.1 **Subordination** This lease shall be subject and subordinate to such liens and encumbrances as are now on or as lessor may hereafter impose on the land and building, and the lessee shall upon request of lessor, execute and deliver agreements of subordination consistent herewith.
- 33.1 **Escalation: Cost-of-Living Index** On each anniversary date of this lease the monthly rental shall be adjusted upward or downward in the same percentage as the increase or decrease in the Consumer Price Index published by the United States Department of Labor, Bureau of Labor Statistics. The change shall be computed by comparing the schedule entitled "U.S. City Average, All Items, All Urban Consumers, 1967=100" for the month preceding the month in which the lease term commenced with the same figure for the month preceding that in which the rent adjustment is to become effective. All comparisons shall be made using Index figures derived from the same base period, and in no event shall this provision operate to decrease the monthly rental for the Premises below the initial stated monthly rental. If the index cited above is revised or discontinued during the term of this lease then the index that replaces it in the Standard Office Building Lease adopted by Portland Association of Building Owners & Managers shall be used in its place. Notwithstanding the language above, this annual escalation shall not exceed 12% over the previous year's rental.

34.1 IMPROVEMENTS

Lessor will deliver the premises in broom clean condition with partition, electrical and telephone modifications made as shown on the attached plan.

35.1 PROPERTY TAX EXEMPTION

It is agreed and affirmed by the lessor that an adjustment in the rent payable by the City of Portland, Oregon, Lessee, will be made to reflect the savings resulting from the exemption of the property leased herein from property taxes under the provisions of ORS 307.112 which, for tax purposes became effective January 1, 1978.

The tax saving resulting from the said exemption shall be in the form of a refund to the Lessee payable quarterly, of each year in which the leased premises are exempt.

IN WITNESS WHEREOF, the parties hereto have executed this instrument in duplicate at the place and on the day and year first herein written, any corporate signature being by authority of the Board of Directors.

LOYALTY BUILDING

CITY OF PORTLAND, OREGON

By:

By: Melvin Mark, Jr.

APPROVED AS TO FORM

Lessor

Lessee

Stephen P. Thomas
ATTORNEY



MELVIN MARK PROPERTIES

520 Southwest Sixth Ave., Portland, Oregon 97204, Tel. 223-4777

36.1 AFTER HOURS OPERATION

Notwithstanding Paragraph 25.2 above, the Lessee shall have the right to after-hour operation provided Lessee shall pay for such service at the utilities regularly scheduled rate. After-hour heat shall be billed at \$7.00 per hour and air-conditioning shall be billed at \$0.31 per hour. These rates are subject to change in the same percentage proportion as any change in the rate charged the Lessor by the appropriate utility company.

37.1 OPTION TO RENEW

The Lessee shall have the option to renew this Lease for a one year period provided Lessor receives at least 180 days' written notice that Lessee is exercising this option. All terms and conditions shall remain the same except that monthly rental shall become equal to that rent due for the month of February 1983, escalated under the terms of Paragraph 33.1.

Lessor_____

Lessee_____

ORDINANCE NO. **149070**

An Ordinance authorizing the execution of lease agreements with the Hamilton Building, a partnership, and the Loyalty Building, a partnership for lease of approximately 8200 square feet of office space in the Hamilton Building, 529 S.W. 3rd. Ave., at an annual rate of \$7.95 per square foot for a three year period beginning March 1, 1980, for the Bureau of Traffic Engineering, transferring appropriations in the amount of \$21,730.00 within the General Fund, authorizing the drawing and delivery of warrants and declaring an emergency.

The City of Portland ordains:

Section 1. The Council finds:

1. That the construction of the Public Service Building on the Annex Block will require the demolition of City Hall Annex 1.
2. That this will require that the occupants of this building be temporarily relocated to leased space.
- 3. That the Hamilton Building and the Loyalty Buildings are adjoining buildings with access provided through a common wall.
4. That suitable contiguous space for the Bureau of Traffic Engineering has been located in the Hamilton Building and the Loyalty Building.
5. That, in view of the price, terms and conditions offered the City, it is in the best interest of the City of Portland to enter into a lease agreement with the Hamilton Building and the Loyalty Building.
6. That Exhibit "A" and Exhibit "B" are appropriate forms of agreement for this purpose.
7. That the City Attorney has reviewed and approved the lease agreements.
8. That the 1979/80 budget of the Bureau of Traffic Engineering does not include any appropriation for space rental.

ORDINANCE No.

9. That a transfer of appropriation in the amount of \$21,730.00 within the General Fund from the General Fund Operating Contingency to the budget of the Bureau of Traffic Engineering is necessary.

NOW, THEREFORE, the Council directs:

- a. The Mayor and the Commissioner of Public Utilities are authorized to enter into agreements with the Hamilton Building and the Loyalty Building for lease of office space for the Bureau of Traffic Engineering, such agreements to be substantially as shown in Exhibit "A" and Exhibit "B" attached to the original hereof and by this reference made a part of.
- b. Warrants are authorized chargeable to the 1979/80 budget of the Bureau of Traffic Engineering, BUC 58000019, Project Code 0001/440.
- c. \$21,730.00 is transferred within the General Fund from General Fund Operating Contingency (BUC 20100010) to the Bureau of Traffic Engineering as follows:

FROM

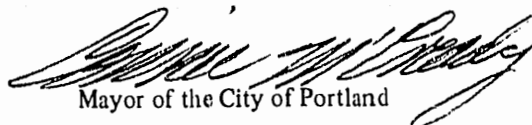
General Fund Operation
Contingency (BUC 20100010)

TO

Bureau of Traffic Engineering
(BUC 58000019) Project 0001/440

Section 2. The Council declares that an emergency exists because a delay could jeopardize these agreements, therefore this Ordinance should be in force and effect from and after its passage by the Council.

Passed by the Council, **JAN 30 1980**
Commissioner Ivancie
Joan M. Cassidy:hkh
January 17, 1980
BUC20100010
BUC58000019


Mayor of the City of Portland

Attest:


Auditor of the City of Portland

THE COMMISSIONERS VOTED AS FOLLOWS:		
	Yeas	Nays
Ivancie	1	
Jordan	1	
Lindberg	1	
Schwab	1	
McCready	1	

FOUR-FIFTHS CALENDAR	
Ivancie	
Jordan	
Lindberg	
Schwab	
McCready	

Calendar No. ³³⁶~~237~~

ORDINANCE No. 149070

Title

An Ordinance authorizing the execution of lease agreements with the Hamilton Building, a partnership, and the Loyalty Building, a partnership for lease of approximately 8200 square feet of office space in the Hamilton Building, 529 S.W. 3rd. Ave., at an annual rate of \$7.95 per square foot for a three year period beginning March 1, 1980, for the Bureau of Traffic Engineering, transferring appropriations in the amount of \$21,730.00 within the General Fund authorizing the drawing and delivery of warrants and declaring an emergency.

JAN 24 1980

CONTINUED TO
JAN 30 1980

JAN 18 1980

Filed _____

GEORGE YERKOVICH
Auditor of the CITY OF PORTLAND

By George Yerkovich
Deputy

INTRODUCED BY
Commissioner Ivancie

NOTED BY THE COMMISSIONER
Affairs
Finance and Administration
Safety
Utilities <i>FJI</i>
Works

BUREAU APPROVAL
Bureau:
Bureau of Facilities Management
Prepared By: Date:
Joan M. Cassidy 1/17/80
Budget Impact Review:
<input type="checkbox"/> Completed <input type="checkbox"/> Not required
Bureau Head:
Allyn R. Staley

NOTED BY
City Attorney
City Auditor
City Engineer