



STATE OF OREGON

LEASE AGREEMENT

DATE: February 6, 1975

GENERAL CONDITIONS OF AGREEMENT
BETWEEN:

-----MALIN PROPERTIES INC.
6175 SW 112th Street
Beaverton, OR 97005-----, Lessor(s)

And the STATE OF OREGON, Acting by and through the Department of General Services for the use of the
-----DEPARTMENT OF GENERAL SERVICES-----, Lessee.

WITNESSETH: That, Lessor(s) and Lessee Agree as follows:

For the leasing of property in:

City of Klamath Falls, County of Klamath, State of Oregon

Particularly described as:

A one-story office facility to be constructed on the site described as Tax Lot 1, Map 3217, lying in the SE 1/2 SW 1/4, Section 20, Township 38, South Range 9 East, W.M., AKA Block 44, Vacated Lakeview Addition, City of Klamath Falls, Oregon, including seventy five (75) car and four (4) semi-trailer truck parking spaces, a three-bay garage and an inspection canopy.
Total Square Feet: 4,666 - office

TO HAVE AND TO HOLD:

Term of Lease: Ten (10) Yr. Beginning: May 1, 1975 Ending: April 30, 1985
Amount of Rent to be paid TWO THOUSAND THREE HUNDRED SEVENTY-NINE & NO/100 Dollars (\$ 2,379.00) per month.

Payment shall be made on or before the 10th day of each month of the sum due for rent for the preceding month.
Rent shall be paid only from moneys made available by law for the use of Lessee.
If state agency, lessee, is abolished, this lease is void.

Lessor shall maintain in good condition the structure, roofs, outside walls, doors and windows, sidewalks and parking areas. Lessor shall also promptly repair or replace all structural defects, defective heating, plumbing, or lighting fixtures, equipment and facilities; and shall at all times maintain the demised premises and grounds in good repair compatible with use thereof by the State of Oregon.

Premises are to be used for these purposes:

Office space for the Motor Vehicles Division, State Police and other Governmental offices.

Lessee shall provide and pay for all utilities and services required for operation of this facility.

Special Conditions:

See "Special Conditions", Exhibit "A", attached hereto and thereby made a part of this lease.

Alterations:

None - Construction of a new building on the site described above.

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12:30 pm

Extension of lease at the option of the state upon the same terms and conditions herein specified; written notice to be given 120 days before expiration date.

1st term	TWO (2) YEARS	Beginning MAY 1, 1985	Ending APRIL 30, 1987	Rental \$2,379.00
2nd term	TWO (2) YEARS	Beginning MAY 1, 1987	Ending APRIL 30, 1989	Rental \$2,379.00
3rd term		Beginning	Ending	Rental

WITNESSETH: That,

Lessor(s) in consideration of agreements on the part of Lessee, herein contained, hereby lease(s) to Lessee, and Lessee hereby leases from Lessor(s), the property herein described, with appurtenances for the term and under the conditions herein set forth:

Lessee agrees:

To pay the rent reserved on the days and in the manner aforesaid; and

To permit Lessor(s) to enter on the premises for purpose of examining same or for purpose of making repairs, alterations, or additions to the demised premises in a reasonable manner and at such reasonable times as will disturb the business of Lessee as little as possible; and

To surrender the premises at the end of the term in as good condition as when received, reasonable wear, damage from the elements, fire, portion affected by eminent domain or acts of God excepted; and

Not to make any alterations or additions in or to the premises without the written consent of the Lessor(s) provided that Lessor(s) shall not unreasonably withhold such consent; and

~~Not to assign, underlet or part with the possession of the whole or any part of the demised premises, except to another agency of the State of Oregon, without first obtaining the written consent of the Lessor(s) provided that Lessor(s) shall not unreasonably withhold such consent; and~~

Not to suffer any unlawful, improper or offensive use of the premises.

It is mutually agreed between the parties as follows:

All furniture, equipment, apparatus and appliances, light fixtures and other fixtures, window shades, floor coverings and shelving placed in said premises by Lessee shall be and remain the property of the Lessee, and may be removed by Lessee at the termination of this lease; and

If the premises shall be destroyed or rendered untenable by eminent domain, or by fire or other casualty, the tenancy created shall be thereby terminated and all liability for rent hereunder shall cease upon payment proportionately to the day the premises are rendered untenable provided that, if said premises shall be partially damaged or taken, then if Lessee shall elect to occupy any portion thereof it shall pay such amount of rent as is proportionate to the amount of space so occupied; and

The covenants of this lease are continuing covenants and the waiver, whether express or implied by the Lessee of breaches of said covenant, shall not be deemed a waiver of subsequent breaches thereof.

Any executory agreement hereafter made shall be ineffective to change, modify or discharge this lease in whole or in part, unless such executory agreement is in writing and signed by the party against whom enforcement of the change, modification, or discharge is sought.

PROVIDED THAT, If default be made in any of the covenants herein contained and such default shall continue for a period of thirty (30) days after notice thereof in writing from the injured party to the other, then it shall be lawful for the Lessor(s), if the injured party(ies) to re-enter at any time thereafter upon said premises and have, repossess and enjoy same, or for Lessee, if the injured party to vacate the premises and thereupon this lease shall absolutely terminate, but without prejudice to the right of action of the injured party.

Any holding over after the expiration of any term unless Lessee has exercised its option to extend this lease for a subsequent term, shall be construed to be a tenancy from month to month at the same monthly rate of rent set out herein and under the same conditions in force at the expiration of the most recent term of this lease.

Any agreement hereafter made shall be ineffective to change, modify, or discharge this lease in whole or in part unless such subsequent agreement is in writing and executed with the same formalities as this instrument.

IN WITNESS WHEREOF, the terms of agreement herein expressed Lessor(s) and Lessee have caused this lease to be executed on the date first hereinbefore written.

MALIN PROPERTIES, INC.

BY *Richard C. Thiel*

BY

Lessor(s)

Approved:

STATE OF OREGON, Acting by and through the
Department of General Services

By *Robert C. Elgin*

Administrator, Property Division
Lessee

SPECIAL CONDITIONS
EXHIBIT "A"

MALIN PROPERTIES INC. AND DEPARTMENT OF GENERAL SERVICES
STATE OFFICE BUILDING
KLAMATH FALLS, OREGON

Tax Clause

It is understood and agreed that the monthly rental shall be increased or decreased in any given tax year by an amount which is the difference between the real property taxes (ad valorem taxes), net after discount, assessed to the Lessor for the first full year of assessed ad valorem taxes after construction is completed (the base tax), and any amount thereafter assessed for ad valorem taxes, net after discount against the Lessor. Notwithstanding the monthly rental provided in this lease agreement, said monthly rental ~~payment shall be adjusted by one-twelfth (1/12) of the increase or decrease~~ from the base tax year, commencing with the July rental of the tax year for which said increase or decrease has been determined. Upon receipt of the tax statement for the tax year involved, an adjustment in the monthly rental payment will be made for any month ending prior to the receipt of the final tax statement. The rental payments for the remaining months of the tax year involved shall be increased or decreased as provided herein. Any taxes owed by the Lessee in the last year of this lease shall be prorated herein if the lease does not terminate.

Occupancy

If the premises are not ready for occupancy by July 1, 1975, Lease will become effective and rent will start on date quarters are completed, approved and occupied by Lessee. Further, if the premises are not ready for occupancy by July 1, 1975, Lessor will be responsible for paying rent, extra moving costs and other related expenses for the Lessee in either the Lessee's present location or in another facility until such time as the quarters herein provided are completed, approved and ready for occupancy. However, if the contractor is delayed at any time in the progress of the work, by changes in orders, labor disputes or unavoidable casualties or delays beyond the contractor's control, the lease time shall be extended for such reasonable time as agreed upon by the Lessor and Lessee. It shall be the responsibility of the Lessor to notify the Lessee as to the availability of the premises forty (40) days in advance to allow for reasonable move-in time and to notify Lessee seven (7) days in advance of completion to allow for inspection of facility.

Priority Among Lease Documents

Should there be a conflict between the bid document, construction specifications and the working drawings relative to quality of material, workmanship, general serviceability and employee comfort, the document(s) having the most stringent requirements shall prevail.

Should there be any other conflict or requirements among the lease documents, the most specific requirement shall prevail or the most recent requirement shall prevail, according to whichever criterion is more appropriate.

Care of Premises

Lessee shall make any repairs to demised premises made necessary due to Lessee's negligence and will be responsible for damage caused by its negligence, or the negligence of its agents and employees.

The janitorial services to be provided in the demised premises, for which the Lessee enters into contract, shall require that carpeting be deep-cleaned using steam, cold-water or dry foam extraction method at least once every 12 months.

Site Control

The unoccupied portion of the site shall be reserved to the State of Oregon for future building and parking expansion and shall not be utilized for any other purpose without prior approval of the Department of General Services.

Construction

The office building herein referred to shall be constructed in accordance with Exhibit "B", Bid Specifications 16-7210-74 dated September 12, 1974; Exhibit "C" Property Division Letter to R.C. Malin Co. dated October 25, 1974; and Exhibit "D", Construction Specifications by Moran/Wallace Architects of Lake Oswego dated December 2, 1974, with working plans dated December 2, 1974 and December 12, 1974, Sheets 1-5, D1-3, S1-8; all attached hereto and thereby made a part of this lease agreement.

Drawings Required

This lease is contingent upon receiving heating, air conditioning and ventilating system drawings prepared or certified by a registered mechanical engineer and no construction work shall commence until these drawings are received and approved by the Department of General Services.

STATE OF OREGON, COUNTY OF KLAMATH
Filed for record at request of KLAMATH COUNTY TITLE CO
this 11th day of FEBRUARY, 1975, at 12:30 P.M., and
duly recorded in Vol. M-75, of DEEDS, Page 1682.
FEE \$ 8.00
By W. D. MILNE, County Clerk
W. D. Milne

After recording return to :
R. C. Malin Co
P.O. Box 66
Beaverton, Or 97005