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U.S. Postal Service

LEASE

Vol. 288 Page 14741

MAIN OFFICE, STATION, BRANCH, ETC.

CITY, COUNTY, STATE AND ZIP+4

Main Postal Facility

Keno, Klamath County, Oregon 97627-9998

A PARCEL SITUATED ON THE POSTAL SERVICE

This LEASE, made and entered into this Twelfth day of August

1988, by

Atkinson & Atkinson, Inc.

hereinafter called the Lessor,

2631 Kline Street
Roseburg, OR 97470-1662

for Lessor and Lessor's heirs, executors, administrators, successors, and assigns and the United States Postal Service, hereinafter called the Postal Service:

WITNESSETH: The parties hereto for the consideration hereinafter mentioned covenant and agree as follows:

2. The Lessor hereby leases to the Postal Service the following described premises, viz.:

A parcel of land situated in the NE1/4NE1/4 of Section 1, Township 40 South, Range 7 East, Willamette Meridian, in Klamath County, Oregon, more particularly described as follows: Beginning at the E1/4 corner of Section 1 on the Range line between Ranges 7 and 8 and East of the Willamette Meridian; thence N.00°03'59" W. 1735.17 feet to a 5/8" iron rod on the said Range line; thence S.89°56'01"W. 198.00 feet at right angles to the said Range line to a 5/8" iron rod, thence N.00°03'59"W. 435.64 feet and parallel to said Range line to a 5/8" iron rod, being the Southeasterly corner of said parcel, the true point of beginning, thence S.89°56'01"W. 202.00 feet at right angles to the said Range line to a 5/8" iron rod; thence N. 00°03'59" W. and parallel to the said Range thence Easterly along the Southerly right-of-way line of Highway 66; at the intersection of said line with a line running parallel to, and 198.00 feet from said Range line when measured at right angles to said Range line; thence S.00°03'59"E. 224.36 feet and parallel to the said Range line to the point of beginning and containing approximately 44,920 square feet.. ALSO, an easement for ingress and egress over and TOGETHER WITH ALL IMPROVEMENTS THEREON, including a one-story, frame building, providing approximately 2,541 sq. ft. of net interior space, a mailing platform of approximately 168 sq. ft., a parking, maneuvering and driveway area of approximately 23,960 sq. ft., on-site sidewalks of approximately 1,144 sq. ft. and landscaping of approximately 16,888 sq. ft., more commonly known as 15750 Highway 66 in KENO, KLAMATH COUNTY, OREGON

3. TO HAVE AND TO HOLD the said premises with their appurtenances for:

THE TERM BEGINNING

August 1, 1988

AND ENDING WITH

July 31, 1998

TOTAL NUMBER OF YEARS

Ten (10)

4. The Postal Service shall pay the lessor an annual rental of:

Eighteen Thousand Three Hundred Forty-Five & NO/100 Dollars. \$ 18,345.00

5. This lease may be renewed, at the option of the Postal Service, for the following separate and consecutive terms and at the following annual

NO. YEARS	AT (PER ANNUAL RENTAL)	NO. YEARS	AT (PER ANNUAL RENTAL)	NO. YEARS	AT (PER ANNUAL RENTAL)
(a) Five (5)	\$29,882.00	(c) Five (5)	\$46,407.00	(e) DELETED	
(b) Five (5)	\$37,238.00	(d) Five (5)	\$57,832.00	(f) DELETED	

provided notice be given in writing to the Lessor at least 90 days before the end of the original lease term or any renewal term. All other terms and conditions of this lease shall remain the same during any renewal term unless stated otherwise herein.

Lessor shall furnish heating, air-conditioning and ventilation systems in accordance with contractual requirements.

Lessor shall provide potable water and sewerage service unless public metered water and/or public sanitary sewerage systems are available.

In the event public metered water and/or public sanitary sewerage systems are not available at the commencement of the lease, but become available at a later date, the undersigned agrees to pay connection charges and the U. S. Postal Service will pay recurring charges.

[illegible]

7. The Lessor shall at his expense record this lease in the proper recording office.

8. The Postal Service may sublet all or any part of the premises or assign this lease but shall not be relieved from any obligation under this lease by reason of any such subletting or assignment.

9. The Postal Service shall have the right to make alterations, attach fixtures and erect additions, structures or signs in or upon the premises hereby leased (provided such alterations, additions, structures or signs shall not be detrimental to or inconsistent with the rights granted to other tenants on the property or in the building in which said premises are located); which fixtures, additions or structures to be placed in, upon or attached to the said premises shall be and remain the property of the Postal Service and may be removed or otherwise disposed of by the Postal Service. Prior to expiration or termination of this lease the Postal Service shall, if required by the Lessor by notice in writing sixty days in advance of such expiration or termination, restore the premises to as good condition as that existing at the time of entering upon the same under this lease, reasonable and ordinary wear and tear, and damages by the elements or by circumstances over which the Postal Service has no control, excepted.

10. (a) This lease may be terminated upon ninety days' notice in writing to the Lessor whenever the Postal Service shall decide to move the office into a building owned by the Postal Service.

(b) This lease may be terminated upon ninety days' notice in writing to the Lessor whenever, in the judgment of the Postal Service, the growth of the service at that office renders additional room necessary and the Lessor is unable or unwilling to furnish suitable and sufficient additional space at an additional rental satisfactory to the Postal Service.

11. (a) The Lessor shall, except as otherwise specified herein and except for damage resulting from the act or negligence of Postal Service agents, maintain the demised premises, including the building and any and all equipment, fixtures, and appurtenances, whether severable or non-severable, furnished by the Lessor under this lease, in good repair and tenable condition. He shall repair the interior (including but not limited to the walls and ceilings) at least once every five years (unless a shorter period is specifically extended in writing by the Contracting Officer) and at any other time that painting may become necessary as a result of deterioration or use. For the purpose of so maintaining said premises and property, the Lessor may at reasonable times enter and inspect the same and make any necessary repairs thereto. Additionally, the Lessor shall designate maintenance repairmen, for electrical emergencies, for plumbing emergencies, for heating, ventilating and air conditioning emergencies and other emergencies repair doors, locks, etc.) who may be called by the Postal Service in the event of an emergency situation involving maintenance of the leased property and/or equipment when the Lessor or his agent cannot be contacted within a reasonable time.

(b) If the leased premises or any part thereof become unfit for the purposes for which leased, the Lessor shall put the same in satisfactory condition, as determined by the Postal Service, for the purposes for which leased. For any period the premises, or any part thereof, are unfit for the purposes for which leased, the rent shall be abated in proportion to the area unavailable to the Postal Service by reason of such condition. Unfitness for use does not include unsuitability arising from such causes as design, size, or location of the building or other portion of the leased premises.

(c) Whenever there is a need for maintenance or a repair which is the Lessor's obligation under subparagraph (a) of this paragraph 11, or for restoration of the premises or any part thereof to a condition suitable for the purpose for which leased, the Postal Service may give the Lessor written notice thereof, specifying a time for completion of the work which is reasonable and commensurate with the nature of the work required. A copy of any such notice shall be furnished by certified or registered mail to the Lessor's mortgagee and assignee of the monies due or to become due under this lease. If the Lessor fails to prosecute the work with such diligence as will enable the work to be completed within the time specified in the written notice, on behalf of the Lessor, the Postal Service may, at its option, cancel the lease. The existence of the Postal Service's option to cancel the lease, or at the sole discretion of the Postal Service in the case of work required pursuant to paragraph (b), does not relieve the Lessor of his affirmative obligation, under subparagraph (a) of this paragraph 11, to maintain the demised premises in good repair and tenable condition for the purposes for which leased, in the event that the premises, or any part thereof, become unfit for the purposes for which leased.

(d) No member of or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of this lease or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this lease if made with a corporation for its general benefit.

12. (a) As used in this clause, the term "facility" means stores, shops, restaurants, cafeterias, restrooms, and any other facility of a public nature in the building in which the space covered by this lease is located.

(b) The Lessor agrees that he will not discriminate by segregation or otherwise against any person or persons because of race, color, religion, sex or national origin in furnishing, or by refusing to furnish to, such person or persons the use of any facility, including any and all services, privileges, accommodations, and activities provided thereby.

(c) It is agreed that the Lessor's noncompliance with the provisions of this clause shall constitute a material breach of this lease. In the event of such noncompliance, the Postal Service may take appropriate action to enforce compliance, may terminate this lease, or may pursue such other remedies as may be provided by law. In the event of termination, the Lessor shall be liable for all excess costs incurred by the Postal Service in acquiring substitute space, including but not limited to the cost of moving to such space.

(d) The Lessor agrees to include or to require the inclusion of the foregoing provisions of this clause (with the terms "Lessor" and "lease" appropriately modified) in every agreement or concession pursuant to which any person other than the Lessor operates or has the right to operate any facility. The Lessor also agrees that it will take such action with respect to any such agreement as the Postal Service may direct as a means of enforcing this clause, including but not limited to termination of the agreement or concession.

14. (a) Minimum wages. (1) All laborers and mechanics employed or working in the construction, modification, alteration, repair, painting, decoration, or other improvement of the building or space covered by this agreement, or improvement at the site of such building or facility covered by this agreement (other than maintenance work necessary to keep the building or space in such condition that it may be continuously used at an established capacity and efficiency for its intended purpose), will be paid, unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 31), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. Contributions made or costs incurred for more than a weekly period for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of subparagraph (a)(4) of this clause; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in paragraph (d) of this clause. Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification in which work is performed. The wage determination provided that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination

14744
tion (including any additional classification and wage rates conformed under subparagraph (a)(4) of this clause) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

(2) (A) The Contracting Officer shall require that any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The Contracting Officer shall approve an additional classification and wage rate and fringe benefits therefor only when the following criteria have been met:

(i) The work to be performed by the classification requested is not performed by a classification in the wage determination;

(ii) The classification is utilized in the area by the construction industry; and

(iii) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the Lessor and the Laborers and mechanics to be employed in the classification (if known), or their representatives, and the Contracting Officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the Contracting Officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, D.C. 20210. The Administrator or an authorized representative will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the Contracting Officer or will notify the Contracting Officer within the 30-day period that additional time is necessary.

(C) In the event the Lessor, the laborers or mechanics to be employed in the classification or their representatives, and the Contracting Officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the Contracting Officer shall refer the questions, including the views of all interested parties and the recommendation of the Contracting Officer, for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the Contracting Officer or will notify the Contracting Officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (a)(2)(B) or (a)(2)(C) of this clause, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(3) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the Lessor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(4) If the Lessor does not make payments to a trustee or other third person, the Lessor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program. Provided, that the Secretary of Labor has found, upon the written request of the Lessor that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the Lessor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(b) Withholding. The Contracting Officer shall upon his or her own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the Lessor under this agreement or the lease or any other Federal contract with the Lessor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the Lessor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the Lessor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working in the construction, modification, alteration, repair, painting, decoration, or other improvement of the building, or space covered by this agreement, or improvement at the site of such building or facility covered by this agreement (other than maintenance work necessary to keep the building or space in such condition that it may be continuously used at an established capacity and efficiency for its intended purpose), all or part of the wages required by the contract, the Postal Service may, after written notice to the Lessor take such action as may be necessary to cause the suspension of any further payment, advance or guarantee of funds until such violations have ceased.

(c) Payrolls and basic records. (1) Payrolls and basic records relating thereto shall be maintained by the Lessor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working in the construction, modification, alteration, repair, painting, decoration, or other improvement of the building or space covered by this agreement, or improvement at the site of such building or facility covered by this agreement (other than maintenance work necessary to keep the building or space in such condition that it may be continuously used at an established capacity and efficiency for its intended purpose). Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the Lessor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(2) (A) The Lessor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the Contracting Officer. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under §5.5(a)(1)(i) of Regulations, 29 CFR Part 5. This information may be submitted in any form desired. Optional Form WH-347 is available for this purpose and may be purchased from the Superintendent of Documents (Federal Stock Number 029-005-00014-1). U.S. Government Printing Office, Washington, D.C. 20402. The Lessor is responsible for the submission of copies of payrolls by all subcontractors.

(g) **Contract termination: debarment.** A breach of this clause or of the clause entitled "Contract Work Hours and Safety Standards Act (40 U.S.C. 327-332) Overtime" may be grounds for termination of the agreement and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(h) **Compliance with Davis-Bacon and Related Act requirements.** All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this agreement.

(i) **Disputes concerning labor standards.** Disputes arising out of the labor standards provisions of this agreement shall not be subject to the Claims and Disputes clause of this agreement. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the Lessor (or any of the Lessor's subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

(j) **Certification of Eligibility.** (1) By entering into this agreement, the Lessor certifies that neither it (nor he or she) nor any person or firm who has an interest in the Lessor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(2) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(3) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

15. Contract Work Hours and Safety Standards Act (40 U.S.C. 327-332) - Overtime

(a) **Overtime requirements.** No Lessor or subcontractor contracting for any part of the work under this agreement which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek, unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(b) **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the provision set forth in paragraph (a) of this clause, the Lessor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Lessor and subcontractor shall be liable to the United States Postal Service for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the provision set forth in paragraph (a) of this clause, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the provision set forth in paragraph (a) of this clause.

(c) **Withholding or unpaid wages and liquidated damages.** The Contracting Officer shall upon his or her own action or upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld, from any monies payable on account of work performed by the Lessor or subcontractor under this agreement or the lease or any other Federal contract with the Lessor, or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the Lessor, such sums as may be determined to be necessary to satisfy any liabilities of such Lessor or subcontractor for unpaid wages and liquidated damages as provided in the provision set forth in paragraph (b) of this clause.

(d) **Subcontracts.** The Lessor or subcontractor shall insert in any subcontracts the provisions set forth in paragraphs (a) through (e) of this clause and also a clause requiring the subcontractors to include these provisions in any lower tier subcontracts. The term "Lessor" as used in these provisions in any subcontract shall be deemed to refer to the subcontractor. The Lessor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the provisions set forth in paragraphs (a) through (e) of this section.

(e) **Records.** The Lessor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. The records to be maintained under this paragraph shall be made available by the Lessor or subcontractor for inspection, copying, or transcription by authorized representatives of the Postal Service and the Department of Labor, and the Lessor or subcontractor will permit such representatives to interview employees during working hours on the job.

16. Compliance with OSHA Standards

To the extent this agreement is for construction, alteration, and/or repairs, the Lessor shall (i) comply with applicable Occupational Safety and Health Standards Title 29, Code of Federal Regulations, Part 1910, promulgated pursuant to the authority of the Occupational Safety and Health Act of 1970; (ii) comply with any other applicable Federal, State, or local regulation governing work place safety to the extent they are not in conflict with (i); and (iii) take all other proper precautions to protect the health and safety of (a) any laborer or mechanic employed by the Lessor in performance of this agreement, (b) Postal Service employees, and (c) the public. The Lessor shall include this clause in all subcontracts hereunder and to require its inclusion in all subcontracts of a lower tier. The term "Lessor" as used in this clause in any subcontract shall be deemed to refer to the subcontractor.

17. Subcontract Provisions

The Lessor agrees to insert Clauses 14, 15, 16, and 17 of this agreement in all subcontracts hereunder and to require their inclusion in all subcontracts of lower tier. The term "Lessor" as used in these clauses in any subcontract shall be deemed to refer to the subcontractor.

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance" signed by the Lessor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(i) That the payroll for the payroll period contains the information required to be maintained under §5.5(a)(3)(i) of Regulations, 29 CFR Part 5 and that such information is correct and complete;

(ii) That each laborer or mechanic (including each helper, apprentice and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR Part 3;

(iii) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by subparagraph (c)(2)(B) of this clause.

(D) The falsification of any of the above certifications may subject the Lessor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31, of the United States Code.

(3) The Lessor or subcontractor shall make the records required under subparagraph (c)(1) of this clause available for inspection, copying or transcription by authorized representatives of the Contracting Officer or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the Lessor or subcontractor fails to submit the required records or to make them available, the Postal Service may, after written notice to the Lessor, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

(d) **Apprentices and Trainees.** (1) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training, or with a State Apprenticeship Agency recognized by the Bureau or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Bureau of Apprenticeship and Training or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the Lessor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a Lessor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the Lessor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the Lessor's or subcontractor's registered program for the apprentice's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprenticeship classification, fringes shall be paid in accordance with that determination. In the event the Bureau of Apprenticeship and Training, or a State Apprenticeship Agency recognized by the Bureau, withdraws approval of an apprenticeship program, the Lessor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(2) **Trainees.** Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the Lessor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(3) **Equal employment opportunity.** The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

(e) **Compliance with Copeland Act requirements.** The Lessor shall comply with the requirements of 29 CFR Part 3, which are incorporated by reference in this contract.

(f) **Subcontracts.** The Lessor or subcontractor shall insert in any subcontracts the provisions contained in paragraphs (a) through (j) of this clause and such other provisions as the Postal Service may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The term "Lessor" as used in these provisions in any subcontract shall be deemed to refer to the subcontractor. The Lessor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the provisions in this clause and with the provisions in the clause entitled "Contract Work Hours and Safety Standards Act (40 U.S.C. 327-332) - Overtime."

18. Assignment of Contract and Claims (May 1972)

(a) Except as otherwise provided below, neither this contract nor any interest in or claims for monies due or to become due under this contract, may be transferred or assigned by the Lessor to any other party.

(b) If this contract provides for payments aggregating \$1,000 or more, claims for monies due or to become due the Lessor from the Postal Service under this contract, may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency, and may thereafter be further assigned and reassigned to any such institution. Any such assignment or reassignment shall cover all amounts payable under this contract and not already paid, and shall not be made to more than one party except that any such assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in such financing. No assignment or reassignment will be recognized as valid and binding upon the Postal Service unless a written notice of the assignment or reassignment, together with a true copy of the instrument of assignment is filed with: (i) the Contracting Officer; (ii) the surety or sureties upon the bond or bonds, if any, in connection with this contract; and (iii) the disbursing officer, if any, designated in this contract to make payment, and the Contracting Officer has acknowledged the assignment in writing.

(c) The Postal Service may at its discretion recognize a transfer of this contract incidental to the transfer of all of the Lessor's assets or all that part of the Lessor's assets involved in the performance of this contract.

(d) Assignment of this contract or any interest in or claims for moneys due or to become due under this contract other than in accordance with the provisions of this clause shall be grounds for annulment of this contract at the option of the Postal Service. The rights and remedies of the Postal Service under this clause are not exclusive and shall be in addition to any other rights and remedies provided at law or under this contract.

19. If the premises are mortgaged prior to or during the term of this lease, including any renewal option periods, the Lessor shall so inform the Contracting Officer and shall, upon request, furnish a mortgage subordination agreement on PS Form 7450, Mortgagee's Agreement.

20. Claims and Disputes (May 1983)

(a) This contract is subject to the Contract Disputes Act of 1978 (P.L. 95-563, 41 USC 601-613).

(b) All disputes arising under or relating to this contract shall be resolved under this clause. References to a Disputes clause in other clauses of this contract shall be understood to be references to this Claims and Disputes clause.

(c) (i) "Claim," as used in this clause, means a written demand or assertion by one of the parties seeking, as a legal right, the payment of money, adjustment or interpretation of contract terms, or other relief arising under or relating to this contract.

(ii) A voucher, invoice, or request for payment that is not in dispute when submitted is not a claim under the Act. However, where such submission is subsequently not acted upon in a reasonable time, or disputed either as to liability or amount, it may be converted to a claim under the Act.

(iii) A claim by the Lessor shall be made in writing and submitted to the Contracting Officer for decision. A claim by the Postal Service against the Lessor shall be in the form of a decision by the Contracting Officer.

(d) For Lessor claims of more than \$50,000, the Lessor shall submit with the claim a certification that: (i) the claim is made in good faith; (ii) supporting data are accurate and complete to the best of the Lessor's knowledge and belief; and (iii) the amount requested accurately reflects the contract adjustment for which the Lessor believes the Postal Service is liable. If the Lessor is an individual, the certification shall be executed by that individual. If the Lessor is not an individual, the certification shall be executed by a senior company official in charge at the Lessor's plant or location involved; or by an officer or general partner of the Lessor having overall responsibility for the conduct of the Lessor's affairs. Claims less than \$50,000 need not be certified.

(e) Any claim which is not disposed of by agreement shall be decided by the Contracting Officer who shall issue a decision in writing and shall mail or otherwise furnish a copy of the decision to the Lessor. For Lessor claims over \$50,000, the Contracting Officer must decide the claim within 60 days or notify the Lessor of the date when the decision will be made. For Lessor claims of \$50,000 or less, the Contracting Officer must render a decision within 60 days. The Contracting Officer's decision shall be final and conclusive and not subject to review by any forum, tribunal, or government agency unless:

(i) The Lessor appeals such decision to the Postal Service Board of Contract Appeals within 90 days after the date the Lessor receives the Contracting Officer's final decision; or

(ii) The Lessor brings an action directly on the claim in the United States Claims Court within 12 months after the date the Lessor receives the Contracting Officer's final decision.

(f) The authority of the Contracting Officer under the Act does not extend to claims or disputes which other agencies are expressly authorized by status or regulation to decide.

(g) The Postal Service shall pay interest on the amount found due on a Lessor's claim from the date the Contracting Officer receives the claim (properly certified, if required, in accordance with d, above), or from the date payment would otherwise be due, if that date is later, until the date of payment. Simple interest will be paid at the rate, established by the Secretary of the Treasury, which is applicable when the Contracting Officer receives the claim and then at the rate fixed by the Secretary for each successive six-month period in which the claim is pending.

(h) Except as the parties may otherwise agree, pending final resolution of a claim by the Lessor arising under the contract, the Lessor shall proceed diligently with the performance of the contract in accordance with the Contracting Officer's decision.

Disputes arising out of the performance of the contract shall be subject to the jurisdiction of the Contracting Officer and shall be decided by the Contracting Officer.

Keno, OR 97627-9998 - Main Postal Facility

21. Disputes Concerning Labor Standards

14748

Disputes arising out of the labor standards provisions of this contract shall not be subject to the Claims and Disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6 and 7. Disputes within the meaning of this clause include disputes between the Lessor (or any of the Lessor's subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

22. The following paragraphs were deleted before execution:

(a) Paragraphs 5(e) and 5(f).

(b) Paragraphs 10(a) and 10(b).

(c) Paragraphs 11(a), 11(b) and 11(c).

23. The following paragraphs were added before execution:

(a) Paragraph 28, Reimbursement of Paid Taxes Rider, PS Form 7419-C, Sept. 1986 Page 11 of 14, to be part of the contract.

(b) Paragraph 29, Maintenance Rider, PS Form 7449-F, March 1986, Page 12 of 14.

(c) Paragraph 30, Friable Asbestos Clause (Rider), PS Form 7400-F, Page 13 of 14.

24. The following documents are incorporated in and made a part of this Lease:

Attachment "A" (legal description of easement)

25. Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (March 1980)

14749

(This clause is applicable only if the total amount of this contract exceeds \$10,000.)

(a) The Lessor will not discriminate against any employee or applicant for employment because he or she is a disabled veteran or veteran of the Vietnam era in regard to any position for which the employee or applicant for employment is qualified. The Lessor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled veterans and veterans of the Vietnam era without discrimination based upon their disability or veterans' status in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship.

(b) The Lessor agrees that all suitable employment openings of the Lessor which exist at the time of the execution of this contract and those which occur during the performance of this contract, including those not generated by this contract and including those occurring at an establishment of the Lessor other than the one wherein the contract is being performed but excluding those of independently operated corporate affiliates, shall be listed at an appropriate local office of the State employment service system wherein the opening occurs. The Lessor further agrees to provide such reports to such local office regarding employment openings and hires as may be required.

State and local government agencies holding Federal contracts of \$10,000 or more shall also list all their suitable openings with the appropriate office of the State employment service, but are not required to provide those reports set forth in paragraphs (d) and (e).

(c) Listing of employment openings with the employment service system pursuant to this clause shall be made at least concurrently with the use of any other recruitment source or effort and shall involve the normal obligations which attach to the placing of a bona fide job order, including the acceptance of referrals of veterans and nonveterans. The listing of employment openings does not require the hiring of any particular job applicant or from any particular group of job applicants, and nothing herein is intended to relieve the Lessor from any requirements in Executive Orders or regulations regarding nondiscrimination in employment.

(d) Whenever the Lessor becomes contractually bound to the listing provisions of this clause, it shall advise the employment service system in each State where it has establishments of the name and location of each hiring location in the State. As long as the Lessor is contractually bound to these provisions and has so advised the State system, there is no need to advise the State system of the subsequent contracts. The Lessor may advise the State system when it is no longer bound by this contract clause.

(e) This clause does not apply to the listing of employment openings which occur and are filled outside of the 50 States, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands.

(f) The provisions of paragraphs (b), (c), and (d) of this clause do not apply to openings which the Lessor proposes to fill from within his own organization or to fill pursuant to a customary and traditional employer-union hiring arrangement. This exclusion does not apply to a particular opening once an employer decides to consider applicants outside of his own organization or employer-union arrangement for that opening.

(g) As used in this clause, "all suitable employment openings" includes, but is not limited to, openings which occur in the following job categories: production and non-production; plant and office; laborers and mechanics; supervisory and nonsupervisory; technical; and executive, administrative, and professional openings as are compensated on a salary basis of less than \$25,000 per year. This term includes full-time employment, temporary employment of more than 3 days duration, and part-time employment. It does not include openings which the Lessor proposes to fill from within his own organization or to fill pursuant to a customary and traditional employer-union hiring arrangement nor openings in an educational institution, which are restricted to students of that institution. Under the most compelling circumstances an employment opening may not be suitable for listing, including such situations where the needs of the Government cannot reasonably be otherwise supplied, where listing would be contrary to national security, or where the requirement of listing would otherwise not be for the best interest of the Government.

(h) "Appropriate office of the State employment service system" means the local office of the Federal-State national systems of public employment offices with assigned responsibility for serving the area where the employment opening is to be filled, including the District of Columbia, Guam, Puerto Rico, and the Virgin Islands.

(i) "Openings which the Lessor proposes to fill from within his own organization" means employment openings for which the Lessor proposes to fill from within his own organization (including any affiliates, subsidiaries, and the parent companies) and includes any openings which the Lessor proposes to fill from regularly established "recall" lists.

(j) "Openings which the Lessor proposes to fill pursuant to a customary and traditional employer-union hiring arrangement" means employment openings which the Lessor proposes to fill from union halls, which is a part of the customary and traditional hiring relationship which exists between the Lessor and representatives of his employees.

(k) The Lessor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Vietnam Era Veterans Readjustment Assistance Act (the Act).

(l) In the event of the Lessor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

(m) The Lessor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, provided by or through the Contracting Officer. Such notice shall state the Lessor's obligation under the law to take affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam era for employment, and the rights of applicants and employees.

Keno, OR 97627-9998 - Main Postal Facility

(k) The Lessor will notify each labor union or representative or workers with which it has a collective bargaining agreement or other contract understanding, that the Lessor is bound by the terms of the Vietnam Era Veterans Readjustment Assistance Act, and is committed to take affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam era.

(l) The Lessor will include the provisions of this clause in every subcontract or purchase order of \$10,000 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to the Act, so that such provisions will be binding upon each subcontractor or vendor. The Lessor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

26. Affirmative Action for Handicapped Workers (March 1980)
(This clause is applicable only if the total amount of this contract exceeds \$2,500.)

(a) The Lessor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The Lessor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

(b) The Lessor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Rehabilitation Act of 1973, as amended (the Act).

(c) In the event of the Lessor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with rules, regulations and relevant orders of the Secretary of Labor issued pursuant to the Act.

(d) The Lessor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, OFCCP, provided by or through the Contracting Officer. Such notices shall state the Lessor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of applicants and employees.

(e) The Lessor will notify each labor union or representative or workers with which it has a collective bargaining agreement or other contract understanding, that the Lessor is bound by the terms of section 503 of the Rehabilitation Act of 1973, and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.

(f) The Lessor will include the provisions of this clause in every subcontract or purchase order of \$2,500 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Act, so that such provisions will be binding upon each subcontractor or vendor. The Lessor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct or enforce such provisions, including action for non-compliance.

27. Applicable Codes and Ordinances

The Lessor, as part of the rental consideration, agrees to comply with all codes and ordinances applicable to the ownership and operation of the building in which the leased space is situated. At Lessor's own expense, to obtain all necessary permits and related items.

(a) The Lessor agrees to maintain the building in a safe and sound condition, and to repair and maintain the same in accordance with applicable codes and ordinances.

(b) The Lessor agrees to provide and maintain adequate fire protection and fire escape facilities in accordance with applicable codes and ordinances.

(c) The Lessor agrees to provide and maintain adequate ventilation, heating, and air conditioning facilities in accordance with applicable codes and ordinances.

(d) The Lessor agrees to provide and maintain adequate plumbing and sanitary facilities in accordance with applicable codes and ordinances.

(e) The Lessor agrees to provide and maintain adequate electrical and lighting facilities in accordance with applicable codes and ordinances.

REIMBURSEMENT OF PAID TAXES RIDER

U.S. Postal Service

14751

Paragraph 28

- (a) The lessor agrees to pay all general real estate taxes levied on the land and buildings hereby demised. Upon final payment of the annual taxes due, the Postal Service will reimburse the lessor, as additional rent, for all general real estate taxes applicable to any period of time within the term of the lease. The lessor must pay the general real estate taxes covered herein before any fine, penalty, interest, or cost may be imposed for nonpayment, at such time and manner and amount as to obtain any discount allowed by the taxing authority. If the lessor fails to make timely payment, the Postal Service will reimburse the lessor only for the amount originally assessed. The lessor must submit satisfactory proof of payment and correctness of the tax bill with the claim for reimbursement. Presentation of receipted tax bills must be made to the office shown in paragraph (d) of this rider. General real estate taxes are those which are assessed on an ad valorem basis, against all taxable real property in the taxing authority's jurisdiction without regard to benefit to the property, and for the purpose of funding general government services. The lessor must pay all assessments and fees of every kind and nature other than general real estate taxes without reimbursement by the Postal Service. In no event shall assessments, "special assessments," or like charges be considered general real estate taxes under the terms of this lease.
- (b) If a part of the general real estate taxes applies to any period prior to the commencement of this lease or subsequent to the expiration of the term of this lease and the remainder of the general real estate taxes applies to the period of time within the term of this lease, the Postal Service will be liable to reimburse the lessor in the aforesaid manner for only that portion of said taxes applying to the period of time within the term of the lease.
- (c) In the event that general real estate taxes for any tax year or part thereof within the term hereby demised apply to the land only, the provisions of this entire article will be and remain operative in the same manner and to the same extent as though said taxes applied to both land and buildings.
- (d) The lessor must furnish the Postal Service copies of all notices which may affect the valuation of said land and buildings for general real estate tax purposes or which may affect the levy or assessment of general real estate taxes thereon.
In the event that the lessor does not furnish such notices relating to valuation changes, and a protest or appeal of this assessment valuation in a subsequent year demonstrates that the valuation was excessive, the lessor shall be charged, retroactively, an amount represented by the overpayment of taxes attributable to the excessive assessment, for the year that the lessee lost the opportunity to appeal.
- (g) It is understood and agreed that the terms and conditions of this Tax Clause Rider are only applicable if the premises leased to the Postal Service as described on Page 1 are assessed and taxed separately. In the event there is a combined assessment and taxation of said premises with other property, this Rider shall be null and void.

Such notices and tax bills shall be delivered or mailed within three days from the receipt thereof by the lessor to:

Manager, Real Estate Branch

Kent Facilities Service Office, USFS
P. O. Box 2000, Kent, WA 98035-2000

- or to such other office as the Postal Service may later direct in writing. The lessor must pay said general real estate taxes under protest when requested to do so by the Postal Service. The Postal Service may contest the validity of any valuation for general real estate tax purposes or of any levy or assessment of any general real estate taxes by appropriate legal proceedings either in the name of the Postal Service or the name of the lessor or in the names of both. The lessor, upon reasonable notice and request by the Postal Service, must join in any proceedings, but will not be subject for the payment of penalties, costs, or legal expenses in connection with any proceedings brought by the Postal Service. The Postal Service hereby covenants to indemnify and save harmless the lessor from any such penalties, costs, or expenses. The lessor must cooperate with the Postal Service in any such proceeding and execute any document or pleadings required for such purpose provided the lessor will be reasonably satisfied that the facts and data set forth in such documents or pleadings are accurate.
- (e) In the event the lessor fails to pay the general real estate tax bills within a timely period from the date of receipt thereof by lessor and such failure results in the addition of any fine, penalty, interest, or cost to the amount of tax or the loss of any discount which would have been allowed by the taxing authority for prompt payment of tax, the lessor will be responsible and liable for payment of such fine, penalty, interest, cost, or the amount of lost discount. The Postal Service will be liable only for payment of the net taxes less such discount as would have been allowed for prompt payment.
- (f) As the payer of the general real estate taxes, the Postal Service is entitled to any and all monies obtained through refunds and remissions of general real estate taxes that have been paid in any year subsequent to the commencement of the lease. In the event that any of the monies paid as general real estate taxes, in accordance with terms noted above, are refunded to the lessor, as a result of an assessment appeal or protest actions, the settlement of such action, or for any other reason whatsoever, such refunded monies shall be forwarded within ten days to the Postal Service. If lessor is informed that he is entitled to a refund or remission of monies paid as general real estate taxes upon the submission of an application, the lessor shall promptly make and file such application and upon receipt of such refund or remission, forward it within ten (10) days to the Postal Service. The Postal Service shall reserve the right to offset refund and remission payments not so forwarded, against rental or other payments due the lessor.

Paragraph 29

MAINTENANCE RIDER



(a) The term "demised premises" as used in this section includes the premises themselves, the improvements and appurtenances to such premises, all equipment and fixtures furnished, or to be furnished, by the Lessor under this lease, and all common or joint use areas that are part of this lease.

(b) The Postal Service is responsible for ordinary repairs to, and maintenance of, the demised premises except for those repairs that are specifically made the responsibility of the Lessor in this lease. The Postal Service's responsibilities as stated herein will be fulfilled at such time and in such manner as the Postal Service considers necessary to keep the demised premises in proper condition.

(c) The Lessor is responsible for:

(1) Repairs to all common or joint use areas that may be included as part of this lease agreement;

(2) All structural repairs to the demised premises. The term "structural repairs" as used in this subsection is limited to the foundation, bearing walls, floors (not including floor covering), column supports, and all parts of the roof system (including, but not limited to, roof covering, flashing, and insulation);

(3) Repairs resulting from Acts of God or of a public enemy;

(4) Repairs resulting from defects in building construction or installation of equipment, fixtures, or appurtenances furnished by the Lessor;

(5) Repairs resulting from fire or other casualties, unless such casualties were caused by the acts or negligence of employees or agents of the Postal Service; and

(6) Any ordinary repairs by the Postal Service which were made necessary by the failure of any element for which the Lessor is responsible.

* (7) All fuel storage tanks and related piping systems.

(d) When the need arises for repairs which are the responsibility of the Lessor, the Postal Service will (except in emergencies) give the Lessor written notice of the needed repair and will specify a reasonable deadline for completion of the work. A copy of such notice will also be sent by certified or registered mail to Lessor's mortgagee and assignee of monies due or to become due pursuant to this lease. These names will have been furnished to the Postal Service by the Lessor. If none of these parties (Lessor, mortgagee, or assignee) proceed with the work with such diligence so as to ensure completion within the time specified in the notice (or any extension thereof granted at the sole discretion of the Postal Service) or actually fails to complete the work within said time, the Postal Service has the right to perform the work, by contract or otherwise, and withhold the cost of such work from payments due under this lease. Alternatively, the Postal Service may, at its sole discretion, cancel this lease. In addition, the Postal Service may proportionally abate the rent for any period the premises, or any part thereof, are determined by the Postal Service to have been rendered unavailable to it by reason of such condition.

(e) Notwithstanding the provisions contained hereinbefore, if the premises be destroyed by fire or other casualty, the Postal Service may terminate this lease agreement immediately.

*(If applies) (f) This Rider shall become effective one (1) year after the effective date of the lease. Until that time, the owner herein shall be responsible for all maintenance.

(g) The lessor shall provide the Postal Service with all warranties and guarantees for equipment or construction for which the Postal Service assumes maintenance responsibility.

U.S. Postal Service
**FRIABLE ASBESTOS CLAUSE
(RIDER)**

14753

Paragraph 30

By execution of this lease, the Lessor certifies that the demised premises contain no friable or potentially friable asbestos material. "Friable Asbestos Material" means any material containing more than 1% asbestos by weight that hand pressure can crumble, pulverize, or reduce to powder when dry.

If friable asbestos material is subsequently identified, the Lessor agrees to remove such material upon notification by the Postal Service at Lessor's sole cost. If the Lessor fails to remove the asbestos material, the Postal Service has the right to accomplish the work and deduct the cost, plus administrative costs, from future rent payments.

Keno, OR 97627-9998 - Main Postal Facility

PS Form 7400-F, October 1986

Page 13 of 14

☆ U.S. GOVERNMENT PRINTING OFFICE: 1986-181-700/55496

ATTACHMENT "A"
(Easement Legal Description)
Keno, OR 97627-9998 Main Postal Facility

An easement for ingress and egress over and across the following property: Beginning at a point 660 feet South of the South line of Highway 66 on the Range line between Ranges 7 and 8 of the Willamette Meridian; thence West at right angles to said Range line 198 feet to the true point of beginning of the tract to be herein described; thence North and parallel with said Range line 660 feet, more or less, to a point on the South line of Highway 66; thence Westerly along the South line of said Highway to a point 16 feet distant when measured at right angles to the East line of the herein described tract; thence South and 16 feet distant from the said East line to a point of intersection of said line with a line running at right angles to and 660 feet South of Highway 66 when measured along the Range line between said Ranges 7 and 8; thence East 16 feet to the true point of beginning, being in Section 1, Township 40 South, Range 7 East of the Willamette Meridian.

14755

31. It is expressly understood between the parties hereto that the terms and conditions of the Agreement to Lease executed by Atkinson & Atkinson, Inc. and accepted by the Postal Service on September 24, 19 87, including any amendments or modifications thereto, are made part of this Lease and are to be complied with as though fully set forth herein.

IN WITNESS WHEREOF, the parties hereto have hereunto signed and sealed these presents as of the date first written above.

SEAL

ATKINSON & ATKINSON, INC
(Company, Corporate or Partnership Name)

(A Oregon Corporation)
(State)

By John R. Atkinson
Its President
(Title)

WITNESSES:

x Ronald D. [Signature]
x James F. [Signature]

By _____
Its _____
(Title)

EMPLOYER IDENTIFICATION/SOCIAL SECURITY NO.:
2631 Kline Street, Roseburg, OR 97470-1662

93-0907478
Telephone: (503) 672-8431

WITNESSES:

[Signature]

THE UNITED STATES POSTAL SERVICE
By Alfred A. Perez
Title ALFRED A. PEREZ
MANAGER, REAL ESTATE BRANCH
CONTRACTING OFFICER
KENT FACILITIES SERVICE OFFICE
P.O. BOX 2000, KENT, WA 98035-2000

Keno, OR 97627-9998 - Main Postal Facility

ACKNOWLEDGMENT

STATE OF OregonCOUNTY OF Douglas

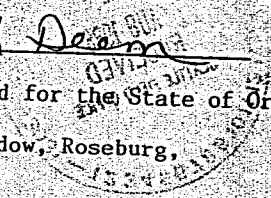
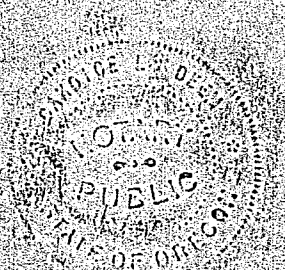
On this 19th day of August, 1988, personally appeared
before me, a Notary Public in and for the County and State aforesaid,

John Atkinson
who is/~~are~~ known to me to be the same person(s) who executed the foregoing
instrument, and who acknowledged that he/~~she/they~~ signed, sealed, and
delivered the same as his/~~her/their~~ free and voluntary act for the uses
and purposed therein set forth.

IN WITNESS WHEREOF, I have hereunto set
my hand and affixed my official seal the
day and year first above written.

Candice A. Dean
Notary Public in and for the State of Oregon
residing at 651 Meadow, Roseburg,
said County.

My commission expires: August 2, 1992



MORTGAGEE'S AGREEMENT

(To be executed and attached to lease before it is recorded.)

June 22, 1988

Date

The undersigned, EVERGREEN FEDERAL SAVINGS and LOAN ASSOCIATION

(Mortgagee)

holder(s) of a mortgage in the sum of \$ 130,000.00 on the property situated

Highway 66

(Street address)

KENO, OR 97627-9998

(City, State, and ZIP Code)

hereby consent(s) to the leasing of said property to the U.S. Postal Service and agree(s) for itself, its successors, executors, administrators, and assigns that in the event it should become necessary to foreclose said mortgage the said mortgagee will cause the sale of said premises to be made subject to said lease.

Evergreen Federal Savings and Loan Association

(Mortgagee Company)

Witness:

By

Robert C. Hakala
(Signature of Mortgagee's Officer)

Its

Robert C. Hakala, Vice President

(Title of Mortgagee's Officer)

969 S.E. 6th Street

Grants Pass, Or. 97526

(City, State and ZIP Code)

SUBSCRIBED AND SWORN to before me, a notary public, in and for

County, State of Oregon

, this 22nd

day of

June

, 19 88

4/25/90

My commission expires

Return:

First American Title Ins.
114 E. 5th St.
Santa Ana, Calif. 92701
Attn: Toni Rice

PS Form 7450
July 1971

GPO 926-470

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title Co. the 9th day of Sept. A.D., 19 88 at 1:46 o'clock P.M., and duly recorded in Vol. M88 of Deeds on Page 14741

FEE \$83.00

Evelyn Biehn

County Clerk

By

Pauline Mendenhall