

COMMERCIAL LEASE AGREEMENT – MODIFIED GROSS**FINAL AGENCY ACKNOWLEDGMENT**

1 Both Landlord and Tenant acknowledge having received the Oregon Real Estate Agency Initial Agency Disclosure Pamphlet and hereby acknowledge
2 and consent to the following agency relationships in this transaction.

3 **Landlord's Agent(s) Information:**

4 Landlord's Agent 1*: _____ Oregon License # _____

5 is the agent of: (*select one*) Landlord exclusively ("Landlord Agency") Both Landlord and Tenant ("Disclosed Limited Agency")

6 Name of Real Estate Firm* _____ Firm License # _____

7 Landlord's Agent 1's Office Address _____

8 Phone #1: _____ Phone #2: _____ E-mail: _____

9 Landlord's Agent 2*: _____ Oregon License # _____

10 is the agent of: (*select one*) Landlord exclusively Both Landlord and Tenant

11 Name of Real Estate Firm* _____ Firm License # _____

12 Landlord's Agent 2's Office Address _____

13 Phone #1: _____ Phone #2: _____ E-mail: _____

14 **Tenant's Agent(s) Information:**

15 Tenant's Agent 1*: _____ Oregon License # _____

16 is the agent of: (*select one*) Tenant exclusively ("Tenant Agency") Both Landlord and Tenant

17 Name of Real Estate Firm* _____ Firm License # _____

18 Tenant's Agent 1's Office Address _____

19 Phone #1: _____ Phone #2: _____ E-mail: _____

20 Tenant's Agent 2*: _____ Oregon License # _____

21 is the agent of: (*select one*) Tenant exclusively Both Landlord and Tenant

22 Name of Real Estate Firm* _____ Firm License # _____

23 Tenant's Agent 2's Office Address _____

24 Phone #1: _____ Phone #2: _____ E-mail: _____

25 *If Landlord's and/or Tenant's Agents and/or Firms are representing multiple Parties in this transaction, all Agents and Firm names should be disclosed
26 above or in an attached OREF C-529 – Final Agency Acknowledgment Addendum.

27 If both Parties are each represented by one or more Agents in the same Real Estate Firm, and Agents are supervised by the same authorized principal
28 broker in that Real Estate Firm, Landlord and Tenant acknowledge the authorized principal broker will become the disclosed limited agent for both
29 Landlord and Tenant as more fully explained in the Disclosed Limited Agency Agreements that have been reviewed and signed by Landlord, Tenant,
30 and Agent(s).

31 Landlord will sign this acknowledgment at the time of signing this Lease before submission to Tenant. Tenant will sign this acknowledgment at the
32 time this Lease is first submitted to Tenant, even if this Lease will be rejected or countered. Tenant's signature to this Final Agency Acknowledgment
33 will not constitute acceptance of this Lease or any terms in this Lease.

34 Landlord _____ Date/Time _____ ←

35 Print _____

36 Landlord _____ Date/Time _____ ←

37 Print _____

38 Tenant _____ Date/Time _____ ←

39 Print _____

40 Tenant _____ Date/Time _____ ←

41 Print _____

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COMMERCIAL LEASE AGREEMENT – MODIFIED GROSS

42 This Commercial Lease Agreement – Modified Gross (“Lease”) is a “modified gross” lease, meaning that some of the operating expenses of the
 43 Property are paid by Landlord, and some are paid by Tenant, as provided in Section 7.2 (Utilities, Services and Operating Expenses). This Lease is
 44 suitable for single-tenant and multi-tenant buildings. It should be fully negotiated before it is signed by either Party. Words capitalized in this Lease
 45 (other than as the first word in a sentence) have the meanings given to them in Section 1 (Basic Lease Terms), Section 3.1 (Dates), Section 7.2
 46 (Operating Expense Definitions), Section 13 (Definitions), or in quotes.

47 **1. BASIC LEASE TERMS:** Landlord leases the Premises described below to Tenant on the terms and conditions of this Lease.

48 **1.1. Date of Lease.** (for reference purposes only, not the Effective Date) _____

49 **1.2. Landlord.** (insert name[s]) _____

50 Notice Address: _____

51 _____

52 Payment Address: _____

53 _____

54 **1.3. Tenant.** (insert name[s]) _____

55 Doing Business As: _____

56 _____

57 Notice Address: _____

58 _____

59 **1.4. Premises.** (See Section 5.1, Premises. Describe the Premises sufficiently to allow any person to locate its boundaries)

60 Address: _____

61 _____

62 Building Name: _____ (the “Building”) Suite Number: _____

63 Number of Square Feet: _____ (select one) Useable Square feet Rentable Square Feet

64 Parking: _____

65 **1.5. Permitted Use.** (See Section 5.2, Permitted Use) _____

66 _____

67 **1.6. Term.** (See Section 3, Term) _____ months. Lease Commencement Date _____

68 Expiration Date _____, Extension Options: _____ option(s) to extend for _____ months each.

69 **1.7. Base Rent Schedule.** (See Section 4, Base Rent) Rent Commencement Date _____

Months	Base Rent	Months	Base Rent	Months	Base Rent
71	\$ _____		\$ _____		\$ _____
72	\$ _____		\$ _____		\$ _____
73	\$ _____		\$ _____		\$ _____

74 **1.8. Prepaid Rent.** (See Section 4.1, Rent Commencement) \$ _____

75 **1.9. Security Deposit.** (See Section 4.3, Security Deposit) \$ _____

76 **1.10. Tenant’s Proportionate Share.** (See Section 7.2(e), Tenant’s Proportionate Share) _____ % (enter 100% if the Premises consist of a
 77 single-tenant building)

78 **1.11. Base Year.** (See Section 7.2(a), Base Year) _____

79 **1.12. Agents.** (See Section 14(a), Agents) _____

80 **1.13. Tenant Improvements.** (See Section 5.8, Alterations) See Exhibit C – Tenant Improvements None

81 **1.14. Guarantors.** (See Section 10.10, Guaranty) _____

82 **1.15. Exhibits.** (select all that are attached) A – Floor Plan or Legal Description B – Rules & Regulations C – Tenant Improvements
 83 D – Guaranty Agreement E – Fair Market Rent Rate Determination Other (describe) _____

84 _____

Tenant Initials _____ / _____

Landlord Initials _____ / _____

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COMMERCIAL LEASE AGREEMENT – MODIFIED GROSS**TERMS AND CONDITIONS**

85 **2. DEMISE:** Landlord leases to Tenant, and Tenant leases from Landlord, the Premises described in Section 1.4 (Premises), on the terms and
86 conditions of this Lease. The Building described in Section 1.4 and the land on which the Building is located are collectively referred to in this Lease
87 as the "Property."

88 **3. TERM:**

89 **3.1. Dates.**

90 (a) **Date of Lease.** "Date of Lease" is the date referred to by Landlord and Tenant only for the purpose of identifying this Lease.

91 (b) **Effective Date.** "Effective Date" means the date when this Lease has been Signed and Delivered and becomes a binding contract.

92 (c) **Lease Commencement Date.** The "Lease Commencement Date" stated in Section 1.6 (Term) is the date the Term of this Lease will
93 commence. Except as expressly stated in this Lease, all rights and obligations of the Parties, including Tenant's obligation to pay rent under
94 Section 4 (Base Rent), Tenant's obligation to maintain insurance coverage under Section 8 (Insurance and Indemnities), and Tenant's right to
95 occupy the Premises under Section 5.2 (Permitted Use), begin on the Lease Commencement Date. If Landlord allows Tenant to enter the
96 Premises for any reason before the Lease Commencement Date, the entry will be on all of the terms and conditions of this Lease.

97 If Landlord is unable, with commercially reasonable efforts, to deliver the Premises to Tenant on the Lease Commencement Date due to a
98 delay other than a delay caused by Tenant, rent will abate until Landlord delivers the Premises to Tenant. However, if Landlord is unable deliver
99 the Premises within ____ Days (one hundred twenty [120] if not filled in) of the Lease Commencement Date, either Party may terminate this
100 Lease, and any Prepaid Rent and Security Deposit will be promptly returned to Tenant.

101 (d) **Rent Commencement Date.** The "Rent Commencement Date" stated in Section 1.7 (Base Rent Schedule) is the date rent will begin to
102 accrue as described in Section 4 (Base Rent). If Landlord is unable, with commercially reasonable efforts, to deliver the Premises to Tenant
103 on the Lease Commencement Date due to a delay caused by Tenant ("Tenant Delay"), the Rent Commencement Date will be advanced by
104 the number of days of delay caused by Tenant, as reasonably determined by Landlord.

105 (e) **Expiration Date.** The Term of this Lease will expire on the Expiration Date unless extended as provided in this Lease

106 **3.2. Extension Options.** Tenant may extend the Term of this Lease the number of times and the number of months indicated in Section 1.6 (Term).
107 Tenant must give Landlord at least ____ Days (one hundred eighty [180] if not filled in) but not more than ____ Days (three hundred sixty [360]
108 if not filled in) advance notice to exercise an extension option. The terms of this Lease during an extension period will be the same as during the
109 initial Term, except that (a) the number of remaining extension options will be reduced by the number of extension options already exercised, and
110 (b) the Base Rent for the extension period will (select one) escalate ____% (three [3] if not filled in) every year during the extension term(s)
111 be the Fair Market Rent Rate, determined as described in Exhibit E. Tenant may not extend the Term while Tenant is in default under this Lease.

112 **3.3. Surrender; Holding Over.** Tenant will surrender the Premises to Landlord on the Expiration Date with all personal property (including garbage)
113 removed, all floors vacuumed, all alterations (except as required by Landlord) restored to their pre-alteration condition, and otherwise in the same
114 condition as on the Lease Commencement Date, except for ordinary wear and tear. Tenant will comply with all of Landlord's move-out requirements.
115 Landlord may treat any property not timely removed by Tenant as abandoned. If Tenant holds over after the end of the Term, Landlord will be
116 entitled to treat Tenant as a month-to-month tenant at sufferance on the terms of this Lease (except that Rent will be Landlord's determination of
117 the fair market rent rate), evict Tenant, and exercise any other remedies available to Landlord. Landlord's acceptance of Rent after the Term will
118 not be a renewal of this Lease, and nothing in this section will waive any right of Landlord.

119 **3.4. Survival.** Upon expiration or other termination of this Lease, the Parties will have no further obligations to each other except for indemnities,
120 provisions that expressly state that they survive termination, and provisions that, by their nature, are to be performed after termination.

121 **4. BASE RENT:** In this Lease, "Rent" consists of both the amounts described in Section 1.7 (Base Rent Schedule), (defined as "Base Rent"), and all
122 other amounts due under this Lease (defined as "Additional Rent").

123 **4.1. Rent Commencement.** Rent commences on the "Rent Commencement Date" described in Section 1.7 (Base Rent Schedule) and after will
124 be paid on the ____ Day (first [1st] if not filled in) of each month in advance during the entire Term of the Lease, except that Tenant will pay

Tenant Initials ____ / ____

Landlord Initials ____ / ____

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125 any Prepaid Rent described in Section 1.8 (Prepaid Rent) on the Effective Date. Rent for any partial month of the Term will be prorated based on
126 a three hundred sixty (360)-day year of twelve (12) months of thirty (30) days each.

127 **4.2. Late Payments.** If any amount is not paid within five (5) Days of the date due, Tenant will pay a late fee equal to the greater of five percent
128 (5%) of the amount due or One Hundred Dollars (\$100.00). Landlord's acceptance of a late charge does not waive Tenant's default or prevent
129 Landlord from exercising any of Landlord's other rights or remedies.

130 **4.3. Security Deposit.** Tenant will deliver the Security Deposit described in Section 1.9 (Security Deposit) on the Effective Date. Landlord may
131 apply the Security Deposit to the cost of performing any obligation of Tenant under this Lease, but Landlord's use of the Security Deposit will not
132 waive Landlord's other remedies. If Landlord uses all or any part of the Security Deposit, Tenant will promptly pay Landlord the amount necessary
133 to restore the Security Deposit. Landlord may commingle the Security Deposit with Landlord's other funds, and any interest on the Security Deposit
134 will accrue to Landlord's benefit. If Tenant is not in default of this Lease at the termination of this Lease, and after Landlord uses any of the Security
135 Deposit needed to return the Premises to the condition described in Section 3.3 (Surrender; Holding Over), Landlord will return the remaining
136 Security Deposit to Tenant. If Landlord sells the Property and delivers the Security Deposit to the buyer, Landlord will be released from further
137 liability for the Security Deposit.

138 **5. USE OF PREMISES AND PROPERTY:**

139 **5.1. Premises.** The Premises are described in Section 1.4 (Premises) and are outlined on the floor plan for the Building or legal description of the
140 Property attached as Exhibit A.

141 **5.2. Permitted Use.** Tenant will use and occupy the Premises continuously during the Term for the Permitted Use as described in Section 1.5
142 (Permitted Use), and for no other purpose without the written consent of Landlord. Tenant will obtain any government permit that may be required
143 to use the Premises for the Permitted Use. Tenant will comply with any rules and regulations Landlord has attached to this Lease as Exhibit B and
144 any reasonable rules and regulations Landlord delivers to Tenant in the future. Landlord represents, to the best of Landlord's current, actual
145 knowledge, that Landlord: (a) is not aware of any law, rule or regulation prohibiting use of the Premises for the Permitted Use; and (b) has no
146 notice from any governmental agency of a condemnation, environmental, zoning, or similar proceeding, existing or planned, which could affect the
147 use or operation of the Premises for the Permitted Use.

148 **5.3. Exclusive Use and Radius Clause.** Landlord will not lease any space (*select any that apply*) within the Building within ____ miles of
149 the Premises to any third party whose primary use is the same as the use described in Section 1.5 (Permitted Use).

150 **5.4. Prohibited Uses.** Tenant will not interfere with the lawful use by other Building tenants or neighbors of their respective spaces, nor will Tenant
151 cause any waste or nuisance. Tenant will not do anything that would increase the rate of insurance for the Building or that would cause cancellation
152 of any insurance covering the Building or its contents. Tenant will not bring any equipment into the Premises other than equipment typical for the
153 Permitted Use and will not overload the Building's floors, electrical system or HVAC system. Tenant will not violate any statute, ordinance, rule or
154 regulation, and will comply with them at its own expense, including Americans with Disabilities Act compliance within the Premises to the extent
155 that compliance is triggered due to Tenant's Permitted Use or alterations to the Premises performed by or for Tenant. Tenant may not bring or
156 release onto the Property any toxic substances, pollutants, contaminants, or other materials deemed "hazardous substances" under Federal, state
157 or local laws, rules or regulations, except for typical quantities of cleaning and other supplies typically used by tenants engaged in uses similar to
158 the Permitted Use, which will be handled in accordance with applicable laws.

159 **5.5. Common Areas.** Tenant may, in common with Landlord, Landlord's invitees, and other tenants of the Building, use the lobbies, corridors,
160 elevators, electrical and telephone closets, restrooms, mechanical rooms, janitor's closets, loading docks, and other similar facilities (the "Common
161 Areas"). Tenant will Notify Landlord in writing at least twenty-four (24) hours before moving furniture or other large items through the Common
162 Areas. Tenant will not place any signs, antennae or other objects in the Common Areas, the exterior of the Building or the Property. Landlord will
163 have sole discretion to temporarily or permanently close or modify Common Areas, and to impose rules for use of the Common Areas. Landlord
164 will at all times maintain a reasonable means of ingress to and egress from the Premises.

165 **5.6. Parking.** Landlord will make available to Tenant the number of parking space(s), if any, described in Section 1.4 (Premises). Parking spaces
166 are not reserved except as indicated in Section 1.4.

Tenant Initials _____ / _____

Landlord Initials _____ / _____

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 167 **5.7. Signage.**

Type	Allowed:	Will be installed by:	At the expense of:
169 Entry Door.....	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
170 Lobby.....	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
171 Pole/Monument.....	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
172 Other (<i>describe</i>) _____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant

173 Permitted signage will comply with the signage rules and regulations of Landlord and any applicable owner association and government entity.
 174 Tenant will not install any other signage without Landlord's written consent.

175 **5.8. Alterations.** If Tenant Improvements are described in Section 1.13 (Tenant Improvements), the Parties will modify the Premises before the
 176 Lease Commencement Date as described in Exhibit C. Except for those modifications, Tenant may not alter the Premises in a manner that would
 177 require a building permit without Landlord's written consent. When requesting consent to alterations, Tenant will submit tentative plans and names
 178 of the contractor(s) who will perform the work. Tenant will ensure that the alterations do not interfere with other users of the Building. Landlord's
 179 consent to alterations will be in writing and will indicate (a) whether the alterations will belong to Landlord or Tenant, and (b) whether the alterations
 180 must be removed and the Premises restored upon termination of this Lease. Tenant will not permit any liens to attach to the Property in connection
 181 with alterations, and Landlord may post notices of non-responsibility at the Premises. Alterations must be performed in compliance with applicable
 182 codes, ordinances and laws. Landlord may alter the Building and Common Areas if the modifications do not materially interfere with Tenant's use
 183 of the Premises.

 184 **6. REPAIRS, MAINTENANCE, DAMAGE, DESTRUCTION AND CONDEMNATION:**

185 **6.1. Condition Upon Commencement.** Upon taking possession of the Premises, Tenant acknowledges that the Premises are in the condition
 186 required under this Lease, except for any punch list items that Landlord has agreed to perform. Tenant will promptly Notify Landlord if Tenant learns
 187 of any condition or circumstance that requires Landlord's attention, maintenance or repair.

188 **6.2. Landlord's Obligations for Repair and Maintenance.** Landlord will maintain and repair the Building and its systems outside of the Premises,
 189 including the walls, windows and doors providing access to the Premises, as well as the Property. Landlord will have keys for all areas of the
 190 Premises and may enter the Premises to inspect the Premises, to perform Landlord's obligations, to perform Tenant's obligations at Tenant's
 191 expense if Tenant fails to do so, and to show the Premises to potential buyers, tenants and lenders. Landlord will provide at least twenty-four (24)
 192 hours' advance notice of entry except in case of emergency. Landlord will use reasonable efforts to use such access with as little interference as
 193 reasonably possible with Tenant's use of the Premises. The cost of the work performed under this section will be paid by the party indicated in
 194 Section 7.2(b) (Operating Expenses).

195 **6.3. Tenant's Obligations for Repair and Maintenance.** Tenant will, at its own expense, perform (a) all repairs necessary as a result of Tenant's
 196 negligent or intentional misconduct, (b) all work necessary as a result of Tenant's obligations under Section 5.4 (Prohibited Uses), and (c) all repairs
 197 and maintenance of the Premises and fixtures in the Premises, and (d) all repairs and maintenance Landlord is not required to perform under
 198 Section 6.2 (Landlord's Obligations for Repair and Maintenance).

199 **6.4. Limited Damage.** If a fire or other casualty causes damage that will cost less than twenty-five percent (25%) of the pre-loss value of the
 200 Premises or Building to repair, Landlord will promptly restore the Premises to their pre-loss condition. The Lease will continue in full force and
 201 effect, except that rent will abate to the extent that the Premises are unusable.

202 **6.5. Destruction.** If a fire or other casualty causes damage that will cost more than twenty-five percent (25%) of the pre-loss value of the Premises
 203 or Building to repair, Landlord will give Tenant Notice, within thirty (30) Days of the casualty, of Landlord's election to restore the Premises or
 204 terminate this Lease. If Landlord elects to restore the Premises, Landlord will promptly restore the Premises to their pre-loss condition, and the
 205 Lease will continue in full force and effect, except that rent will abate to the extent that the Premises are unusable. If Landlord elects to terminate
 206 the Lease, the termination will be effective as of the date of Landlord's termination notice.

207 **6.6. Limited Condemnation.** If less than 25 percent of the Premises, the Building, or the Property is taken under the power of eminent domain,
 208 Landlord will perform all work reasonably necessary to make the Premises usable for the Permitted Use, and the rent due under this Lease will be
 209 reduced in proportion to the reduction in value of the Premises due to the condemnation. Landlord will be entitled to all condemnation proceeds,
 210 but Tenant may bring a separate claim for Tenant's damages as long as any Tenant award does not reduce Landlord's award.

Tenant Initials _____ / _____

Landlord Initials _____ / _____

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211 **6.7. Major Condemnation.** If more than 25 percent of the Premises, the Building, or the Property is taken under the power of eminent domain,
 212 Landlord will give Tenant Notice, within thirty (30) Days of the taking, of Landlord’s election to restore the property or terminate this Lease. If
 213 Landlord elects to restore the Premises, Landlord will perform all work reasonably necessary to make the Premises usable for the Permitted Use,
 214 and the rent due under this Lease will be reduced in proportion to the reduction in value of the Premises due to the condemnation. If Landlord
 215 elects to terminate the Lease, the termination will be effective as of the date of Landlord’s termination notice. Landlord will be entitled to all
 216 condemnation proceeds, but Tenant may bring a separate claim for Tenant’s damages as long as any Tenant award does not reduce Landlord’s
 217 award.

218 **7. UTILITIES, SERVICES AND OPERATING EXPENSES:**

219 **7.1. Utilities and Services Provided by Landlord.** Landlord will provide electricity, water, and heating to the Building, as well as air conditioning
 220 if the Building is air conditioned, at levels typical of properties similar to the Building, during the Building hours established by Landlord, Monday
 221 through Friday except for State and Federal holidays. Landlord will clean and replace light bulbs in all Common Areas and provide supplies to
 222 Common Area restrooms. Interruption of those utilities will not subject Landlord to any claim for damages, will not excuse payment of rent, and will
 223 not constitute interference with or constructive eviction of Tenant. Landlord may, but will have no obligation to, provide security services. If requested
 224 by Landlord, Tenant will put utilities in Tenant’s name effective as of the Lease Commencement Date. If Landlord determines that Tenant is using
 225 more utilities or services than other similarly-situated tenants, Landlord may charge a reasonable fee for such additional use.

226 **7.2. Operating Expense Definitions.** In this Lease:

- 227 (a) **”Base Year”** means the Base Year entered in Section 1.11 (Base Year), if any.
- 228 (b) **”Operating Expenses”** means the expenses for which “Tenant” is selected in the following list. Any expense for which “Landlord” is
 229 selected and any expense for which neither “Landlord” nor “Tenant” is selected is not included in Operating Expenses.

Utility, Service or Other Expense	Will be Paid For By:
230 Electricity.....	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
231 Gas.....	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
232 Internet.....	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
233 Janitorial.....	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
234 Water.....	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
235 Sewer.....	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
236 Waste Management: Garbage/Recycling.....	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
237 Telephone.....	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
238 Landscaping.....	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
239 Real Property Tax.....	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
240 Landlord’s insurance policies.....	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
241 Reasonable management fee.....	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
242 Elevator Service (if applicable).....	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
243 Common area maintenance, repair and replacement.....	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
244 Remodeling and alterations (amortized over the useful life of the improvements).....	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
245 Capital improvements intended to reduce the Operating Expenses (amortized over the useful life 246 of the improvements).....	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
247 Salaries and benefits paid to Landlord’s employees (to the extent that they are working on or for the Property).....	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
248 Other (describe) _____	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
249 _____	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
250 Other (describe) _____	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
251 _____	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant
252 _____	<input type="checkbox"/> Landlord <input type="checkbox"/> Tenant

253 Operating Expenses also do not include tenant improvements, depreciation or amortization, leasing commissions, interest, ground lease rental,
 254 attorney fees, refinancing costs, damages insured or recoverable from other parties, fines or penalties, corporate overhead, advertising, costs

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Landlord Initials _____ / _____

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255 incurred to upgrade the Building to comply with codes in effect when the Building was initially constructed, or separately metered utilities or
256 separately tracked services provided to and paid for by tenants.

257 (c) “**Operating Year**” means a full or partial calendar year during the Term. Calculations of costs and payments applicable to partial years will
258 be prorated for those years.

259 (d) “**Taxes**” means all *ad valorem* property taxes, assessments and other charges imposed by government authorities on the Property and
260 any improvements and fixtures attached to the Property, as well as any tax in lieu of a property tax and any tax levied on rent paid under this
261 Lease. “Taxes” does not mean any income taxes or any taxes levied on Tenant or Tenant’s personal property.

262 (e) “**Tenant’s Proportionate Share**” means the percentage indicated in Section 1.10 (Tenant’s Proportionate Share), calculated by dividing
263 the square footage of the Premises by the square footage of the Building.

264 **7.3. Operating Expense Payments.** Tenant will pay, as Additional Rent, Tenant’s Proportionate Share of the Operating Expenses throughout the
265 Term; provided, however, that if a Base Year is indicated in Section 1.11 (Base Year), Tenant will only pay Tenant’s Proportionate Share of the
266 increase, if any, of the Operating Expenses over the Operating Expenses during the Base Year. No refund or rent credit will be paid if Operating
267 Expenses for an Operating Year are less than the Operating Expenses during the Base Year.

268 Prior to the Lease Commencement Date and prior to each Operating Year (or as soon as reasonably possible), Landlord will Deliver to Tenant a
269 written estimate of Tenant’s Proportionate Share of the Operating Expenses for the upcoming Operating Year. Tenant will pay to Landlord, along
270 with each payment of Base Rent, one-twelfth (1/12th) of the estimated Operating Expenses, or increase in the estimated Operating Expenses if
271 this Lease has a Base Year, shown in the estimate.

272 **7.4. Reconciliation of Operating Expense Payments.** Within _____ Days (ninety [90] if not filled in) after the end of each Operating Year,
273 Landlord will Deliver to Tenant a written reconciliation comparing the actual Operating Expenses for the Operating Year just ended to the estimated
274 Operating Expenses for that year.

275 (a) Tenant will pay Landlord, within thirty (30) Days, the amount by which Tenant’s Proportionate Share of the Operating Expenses were
276 underpaid, if (i) there is no Base Year and the estimated Operating Expenses were less than the actual Operating Expenses, or (ii) there is a
277 Base Year and the increase in Operating Expenses was greater than the amount Tenant paid for Operating Expenses.

278 (b) Landlord will credit Tenant, on the next payment(s) of Base Rent due, the amount by which Tenant’s Proportionate Share of the Operating
279 Expenses were overpaid if (i) there is no Base Year and the estimated Operating Expenses were more than the actual Operating Expenses,
280 or (ii) there is a Base Year and the increase in Operating Expenses was less than the amount Tenant paid for Operating Expenses.

281 (c) Late delivery of any expense statement by Landlord will not waive Tenant’s obligation to pay its share of Operating Expenses. The obligation
282 to pay Operating Expenses will survive the termination of this Lease.

283 (d) Tenant may examine Landlord’s Operating Expense records once per year by requesting an appointment at least one week in advance.
284 The person who conducts the examination may not do so on a contingency basis. If Tenant believes any expense statement is in error, Tenant
285 shall Notify Landlord within ninety (90) Days of receipt of the statement. Landlord will promptly correct any mistake discovered by Tenant.

8. INSURANCE AND INDEMNITIES:

287 **8.1. Tenant’s Insurance.** Tenant will, at all times during the Term and at its own expense, maintain a policy of commercial general liability and
288 property damage insurance on the Premises and Tenant’s activities conducted in the Premises, with a minimum combined single limit coverage of
289 at least (*select one*) One Million Dollars (\$1,000,000) Two Million Dollars (\$2,000,000) \$_____. The policy will be primary
290 and will name Landlord and Landlord’s property management company, if any, as additional insureds. The policy will insure Tenant’s performance
291 of indemnity clauses of this Lease. The policy must be issued by an insurance company authorized to issue insurance in Oregon having an A.M.
292 Best rating of B+ VIII or higher. Tenant will deliver an ACORD 25 or 27 certificate of this insurance to Landlord at least five (5) Days before both
293 the Lease Commencement Date and each policy renewal.

294 **8.2. Landlord’s Insurance.** Landlord’s will insure the Building against fires and other casualties. Landlord’s insurance does not cover any of
295 Tenant’s property in the Premises. The cost of Landlord’s insurance will be paid by the party indicated in Section 7.2 (Operating Expenses).

296 **8.3. Waiver of Subrogation.** The Parties will not be liable to each other or to their insurers for any loss or damage that would be covered under a
297 special form policy of property insurance, even if the loss or damage might have arisen out of the negligence of a Party.

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Landlord Initials _____ / _____

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298 **8.4. Indemnities.** Tenant will indemnify and hold harmless Landlord and Landlord's lenders, owners, and employees from and against all claims
299 for bodily injury or property damage or both related to the Premises, and all costs, losses and liabilities arising out of those claims. Landlord will
300 indemnify and hold harmless Tenant and Tenant's lenders, owners, and employees from and against all claims for bodily injury or property damage
301 or both related to the Building (outside the Premises) or the Property, and all costs, losses and liabilities arising out of those claims. These
302 indemnities are limited to the amount of liability insurance coverage required under this Lease. Tenant will indemnify, defend and hold harmless
303 Landlord from and against any and all claims arising from Tenant's breach of its representations, warranties and covenants under this Lease,
304 together with all costs, expenses and liabilities incurred or in connection with each such claim, including, without limitation, all reasonable attorney
305 fees and expenses. Landlord will indemnify, defend and hold harmless Tenant from and against any and all claims arising from Landlord's breach
306 of its representations, warranties and covenants under this Lease, together with all costs, expenses and liabilities incurred or in connection with
307 each such claim, including, without limitation, all attorney fees and expenses

308 9. ASSIGNMENT AND SUBLEASE:

309 **9.1. No Transfers.** Tenant will not assign or encumber this Lease, or sublease or otherwise transfer or grant a right of use of all or any part of the
310 Premises, by contract, operation of law, or transfer of ownership of Tenant, to any third party without Landlord's advance written consent. Tenant
311 will, with its request for consent, provide Landlord with a summary of the transfer terms between Tenant and the transferee, and will reimburse any
312 attorney fees incurred by Landlord in connection with a transfer.

313 **9.2. Landlord's Rights.** If Tenant requests Landlord's consent to a transfer, Landlord may (a) consent to the transfer without conditions, (b)
314 conditionally consent to the transfer, (c) deny consent to the transfer, (d) terminate this Lease with respect to the area proposed to be transferred,
315 and lease that area directly to the intended transferee on terms acceptable to Landlord. If Landlord consents to a transfer, Tenant will agree to be
316 bound by all of the terms of this Lease, and will Deliver to Landlord a fully executed copy of the transfer agreement.

317 10. DEFAULT, DISPUTES, AND GUARANTY:

318 **10.1. Events of Tenant Default.** Tenant will be in default if: (a) Tenant fails to pay rent or any other amount due under this Lease before or within
319 five (5) Days after the due date, or (b) Tenant fails to occupy the Premises for ten (10) or more consecutive Days without Landlord's permission,
320 or (c) Tenant fails to comply with any other provision of this Lease within thirty (30) Days of Landlord's delivery of notice of the failure, or any longer
321 period as may be needed to cure the default so long as Tenant begins the cure during the thirty (30)-day period and then diligently pursues the
322 cure to completion.

323 **10.2. Landlord's Remedies.** If Tenant is in default, Landlord may, without waiving any of Landlord's rights: (a) continue this Lease and enforce its
324 rights and remedies under this Lease; (b) terminate this Lease by written Notice to Tenant; (c) take possession and remove all persons and property
325 from the Premises by any legal means; (d) relet the Premises on terms and conditions acceptable to Landlord; (e) perform acts of maintenance or
326 preservation; (f) have a receiver appointed; (g) exercise any other remedies available to Landlord, or (h) exercise any combination of these
327 remedies.

328 **10.3. Landlord's Damages.** Tenant will be liable for all damages Landlord incurs as a result of Tenant's default, including lost rental, any excess
329 of the value of the rent over the expected return from the Premises for the remainder of the Term (discounted at the interest rate on judgments),
330 recoupment of any concessions, the costs to remove Tenant and relet the Premises, cleaning and remodeling the Premises, legal expenses, broker
331 commissions, and advertising costs. Interest on amounts owed to Landlord will accrue at the rate of twelve percent (12%) per annum. Landlord
332 may recover such costs in one or more lawsuits without barring future suits. The exercise of these remedies is cumulative and will not exclude any
333 other remedy available to Landlord. Landlord's obligation to mitigate its damages will be satisfied if Landlord follows its usual practice of finding a
334 tenant.

335 **10.4. No Waivers.** A waiver of strict performance by either Party will not be a waiver or relinquishment of the right to require that performance in
336 the future. Landlord's acceptance of rent with knowledge of a breach will not be a waiver of that breach.

337 **10.5. Force Majeure.** If either Party's performance of any obligation under this Lease, other than the payment of rent, is prevented or delayed by
338 acts or events beyond its control, that performance will be excused for a period of time equal to the duration of the act or event preventing or
339 delaying the performance.

340 **10.6. Landlord's Cure of Tenant's Third-party Defaults.** If Tenant fails to pay any amount or fails to perform any act required under this Lease
341 with respect to a third party, and Tenant fails to do so within ten (10) Days after written Notice from Landlord, Landlord may (but will not be required
342 to) pay such amount or perform such act on Tenant's behalf. Tenant will reimburse such payments and the value of such performance within ten

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343 (10) Days after Landlord delivers written demand for reimbursement. The reimbursement will be in addition to and not in lieu of Landlord's other
344 remedies for Tenant's default.

345 **10.7. Dispute Resolution.** Any dispute between the Parties regarding their rights or obligations under this Lease, other than the payment of rent,
346 will be submitted to mediation. The Parties agree to use their best efforts to resolve the dispute through a settlement agreement including a
347 covenant not to sue and a non-disparagement clause. If the Parties are unable to agree on a mediator or settle the dispute, either of them may
348 submit the dispute to final and binding arbitration through Arbitration Service of Portland or the American Arbitration Association. The arbitration
349 will be conducted in the city where the Building is located, will commence within fifteen (15) Days of being submitted and conclude within thirty (30)
350 Days after commencement, before one arbitrator selected by the Parties or, if they cannot reach agreement, by the presiding judge of the Circuit
351 Court of the County in which the Building is located. Each Party will submit its position to the arbitrator, and the arbitrator will select a prevailing
352 position without modification. The arbitrator will resolve the controversy in accordance with applicable law, and the terms and conditions of this
353 Lease. The losing Party will pay the costs of the arbitrator and the attorney fees of the prevailing Party. Judgment may be entered on the decision
354 in any court having jurisdiction over the matter.

355 **10.8. Collection Costs.** Tenant will pay Landlord's reasonable collection costs if collection of any payment of rent due under this Lease is referred
356 to an attorney for collection, even if no arbitration, suit, or civil action is filed on this Lease.

357 **10.9. Recourse.** Tenant will look only to the Property to satisfy Tenant's remedies against Landlord requiring payment of money, and to no other
358 assets of Landlord or of Landlord's principals, officers or agents.

359 **10.10. Guaranty.** If one or more guarantors are identified in Section 1.14 (Guarantors), this Lease is conditioned upon each of those guarantors
360 entering into a Guaranty Agreement in the form attached as Exhibit D.

361 **11. QUIET ENJOYMENT, SUBORDINATION, NON-DISTURBANCE, ATTORNMEN, AND ESTOPPEL CERTIFICATES:**

362 **11.1. Quiet Enjoyment.** Landlord warrants to Tenant that Landlord is the owner of the Premises and is entitled to lease them to Tenant. Landlord
363 will protect and defend Tenant from any claims that threaten Tenant's quiet enjoyment of the Premises so long as Tenant is not in default.

364 **11.2. Subordination.** This Lease is subordinate to all mortgages, trust deeds, and ground leases against the Property, as well as all modifications,
365 extensions and replacements to those instruments. Tenant will execute and deliver to Landlord any confirmation of subordination requested by
366 Landlord, its lenders or ground lessors. If Landlord is in default under this Lease, Tenant will deliver to those lenders or ground lessors the same
367 notice of default that Tenant delivers to Landlord if their notice addresses have been provided to Tenant, and they will have a reasonable period of
368 time to cure Landlord's default.

369 **11.3. Non-disturbance.** If Landlord is in default or if a lender with a mortgage or trust deed on the Property forecloses and acquires the Property,
370 Tenant's occupancy of the Premises and other rights under this Lease will not be disturbed so long as Tenant is not in default beyond any period
371 permitted for cure of the default.

372 **11.4. Attornment.** Tenant will attorn to any Party that acquires title to the Property in a foreclosure sale or under the threat of foreclosure, and
373 Tenant will perform its obligations under this Lease to the new owner as if the new owner was the Landlord when Tenant entered into this Lease,
374 subject to the new owner's obligation to perform Landlord's obligations under this Lease, except that the new owner will not be liable for the former
375 owner's defaults. Tenant and the new owner will enter into any commercially reasonable attornment agreement to confirm the attornment.

376 **11.5. Estoppel Certificates.** Either Party may ask the other Party to complete and deliver to the requesting Party a commercially reasonable form
377 of estoppel certificate such as OREF C-519 – Tenant Estoppel Certificate, which will indicate whether this Lease is unmodified and in full force and
378 effect (and if not, a description of the modifications), the commencement and expiration dates of this Lease, the current rent rate, the date through
379 which rent has been paid, whether Landlord is obligated to provide any tenant improvements or allowances to Tenant, whether either Party is in
380 default (and if so, the nature of the default), whether any event has taken place which, with the giving of notice or passage of time or both, would
381 be a default (and if so, describing the event), whether Tenant has any right to purchase the Premises or the Property, and any other information
382 reasonably required by the requesting Party. Failure of the responding Party to provide the estoppel certificate to the requesting Party within ten
383 (10) Days of the request will be deemed an admission of the accuracy of the statements in the certificate. The buyer, lender, or other recipient of
384 the certificate will be entitled to rely on its statements.

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385 **12. ADDITIONAL PROVISIONS:** (describe) _____
386 _____
387 _____
388 _____ (for more provisions, see Addendum _____).

DEFINITIONS/MISCELLANEOUS

- 389 **13. DEFINITIONS:** In addition to the other definitions in this Lease, when the first letter of these terms is capitalized, they mean the following:
- 390 (a) **Agent** means Landlord's or Tenant's real estate agent licensed to perform professional real estate activity in the State of Oregon.
- 391 (b) **Lease** means this Commercial Lease Agreement – Modified Gross, and any exhibit, addendum, or amendment in any form or language
392 that adds to, amends, or otherwise modifies this Lease.
- 393 (c) **Business Day** means Monday through Friday, except days that are recognized as official holidays by Oregon under [ORS 187.010](#) or by
394 the United States under 5 U.S.C. § 6103.
- 395 (d) **Day** means a calendar day.
- 396 (e) **Deliver, Delivery, or Delivered** means transmission of a document, either by placing it in a U.S. mailbox, taking it to the recipient's address,
397 or placing it in the custody of a delivery service (collectively, "Manual Delivery"); or by pushing send or start on a device that sends facsimiles
398 or in an electronic mail program ("Electronic Delivery").
- 399 (f) **Firm** means the real estate firm with which an Agent is affiliated.
- 400 (g) **Notice** means a written statement Delivered.
- 401 (h) **Notify** means Delivery of a Notice to the other Party or their Agent.
- 402 (i) **Parties** means Landlord and Tenant, and "**Party**" means Landlord or Tenant.
- 403 (j) **Signed and Delivered** means Landlord and Tenant have: (i) signed a document, and (ii) Delivered it to the other Party or their Agent. When
404 a document is Signed and Delivered, it becomes legally binding on Landlord and Tenant, and neither has the ability to withdraw it.
- 405 **14. MISCELLANEOUS:** The following provisions govern the manner in which the terms of this Lease will be construed.
- 406 (a) **Agents.** Each Party represents and warrants that, except for the Agents identified in Section 1.12 (Agents), no firm or agent is entitled to
407 compensation in connection with this Lease. Landlord will pay compensation to the Agents identified in Section 1.12 under the terms of a
408 separate agreement.
- 409 (b) **Authority.** Each person executing this Lease represents and warrants that the person has all authority requisite to execute this Lease, and
410 that any resolution or other authorization required for the execution of this Lease has been obtained. If Landlord or Tenant is an entity or if both
411 are entities, their signatures on this Lease are on behalf of that entity or those entities, and do not create personal liability for the signer(s).
- 412 (c) **Binding Effect.** This Lease is binding upon the heirs, successors, and assigns of Landlord and Tenant. However, Tenant's rights and
413 responsibilities under this Lease or in the Property are not assignable without the prior written consent of Landlord.
- 414 (d) **Completeness.** This Lease and the attachments described in this Lease are the entire agreement between Landlord and Tenant regarding
415 the Premises and the Property: there are no other agreements, written or verbal, express or implied. Neither Party is relying on any
416 representations or warranties not stated in this Lease. No agreement or understanding will modify this Lease other than a modification signed
417 by both Parties.
- 418 (e) **Consent.** When Landlord's consent or approval is required under this Lease, Landlord's consent or approval may be withheld or
419 conditioned in Landlord's sole discretion. No consent or approval in one instance will prevent a provision from applying in another instance. If
420 this Lease requires Tenant to obtain Landlord's consent before taking action, but Tenant takes the action without Landlord's consent, the action
421 will, at Landlord's option, be voidable or a default under this Lease or both.
- 422 (f) **Counterparts.** This Lease may be signed in multiple counterparts with the same legal effect as if all Parties signed the same document.

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Landlord Initials _____ / _____

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423 (g) **Electronic Transmission.** The sending of a signed version of this Lease or any part of this Lease via Electronic Delivery from one Party
424 (or their Agent) to the other Party (or their Agent) will have the same effect as Manual Delivery of the signed original. If the Parties intend to
425 use any other method for transmitting a signed version of the Agreement (such as regular mail, certified mail, or overnight delivery), they
426 should so specify in Section 12 (Additional Provisions).

427 (h) **Interpretation.** This Lease will be governed by and construed under the laws of the State of Oregon, without reference to choice of law
428 provisions. Any provision of this Lease determined to be unenforceable will be enforced to the extent permitted by law. The titles, headings,
429 and captions in this Lease are for the convenience of the Parties and do not affect the meaning of any provision. All provisions of this Lease
430 are independent of all other provisions.

431 (i) **Notices.** All written Notices or documents required or permitted under this Lease to be Delivered to Landlord or Tenant may be Delivered
432 to their respective Agent with the same effect as if Delivered to that Landlord or Tenant. Notices will be deemed given when transmitted by
433 email, when taken to a Party's address on this Lease, twenty-four (24) hours after deposit with an overnight courier addressed to the address
434 first given in this Lease, or seventy-two hours after being deposited in United States mail addressed to the address first given in this Lease.
435 The Parties may change their address by written notice as provided in this Lease.

436 (j) **Recording.** Tenant will not record this Lease or a memorandum of this Lease.

437 (k) **Time.**

438 (i) Time is of the essence of this Lease.

439 (ii) All deadlines for performance measured in Days will terminate as of 5:00 p.m. on the last Day of that deadline, however designated. If
440 that last day is not a Business Day, that deadline will terminate on the next Business Day.

SIGNATURES

441 Landlord _____ Date/Time _____ ←
442 Print _____

443 Landlord _____ Date/Time _____ ←
444 Print _____

445 Tenant _____ Date/Time _____ ←
446 Print _____

447 Tenant _____ Date/Time _____ ←
448 Print _____

449 **CHANGES, DELETIONS, AND ADDITIONS TO THE TEXT OF THIS FORM MUST BE INITIALED BY ALL PARTIES TO BE VALID.**