

AGENDA

WARRENTON URBAN RENEWAL AGENCY

May 14, 2024 – 6:00 P.M.

Warrenton City Commission Chambers – 225 South Main Avenue
Warrenton, OR 97146

Public Meetings will also be audio and video live streamed. Go to <https://www.warrentonoregon.us/administration/page/public-meeting-zoom-access> for connection instructions.

1. CALL TO ORDER

2. ROLL CALL

3. CONSENT CALENDAR

- A. Urban Renewal Agency Meeting Minutes – 4.23.2024

4. BUSINESS

- A. Consideration of Urban Renewal Significant Buildings - Post Office Agreement

5. ADJOURN

Warrenton City Hall is accessible to the disabled. An interpreter for the hearing impaired may be requested under the terms of ORS 192.630 by contacting Dawne Shaw, City Recorder, at 503-861-0823 at least 48 hours in advance of the meeting so appropriate assistance can be provided.

MINUTES
 Warrenton Urban Renewal Agency
 April 23, 2024
 Warrenton City Hall - Commission Chambers
 225 S. Main
 Warrenton, Or 97146

Vice Chair Poe convened the Urban Renewal Agency meeting at 8:03 p.m.

Commissioners Present: Chair Henry Balensifer (on Zoom), Vice Chair Gerald Poe, Tom Dyer, Mark Baldwin, and Paul Mitchell

Staff Present: Executive Director Esther Moberg, and Secretary Dawne Shaw

Chair Balensifer will abstain from voting this evening on the advice of his doctor since he had just come out of anesthesia.

CONSENT CALENDAR

- A. Urban Renewal Agency Meeting Minutes – 4.09.2024

Commissioner Baldwin made the motion to approve the consent calendar as presented. Motion was seconded and passed unanimously.

Poe – aye; Mitchell – aye; Balensifer – abstained; Dyer – aye; Baldwin - aye

PUBLIC HEARINGS - None

BUSINESS ITEMS

City Recorder Dawne Shaw discussed the resolution to authorize appointments and set terms of office on the Warrenton Urban Renewal Agency.

Commissioner Baldwin made the motion to approve Resolution No. 24-02; Authorizing Appointments to Fill Positions and Setting Terms of Office on the Urban Renewal Advisory Committee. Motion was seconded and passed unanimously.

Poe – aye; Mitchell – aye; Balensifer – abstained; Dyer – aye; Baldwin - aye

Executive Director Esther Moberg gave an update on the 69 NE Heron Building. She noted that significant work has been done on the exterior of the building. She discussed the requirements for the flood plain permit and the next steps in the process. She discussed the current work being done on or around the building.

At 8:08 pm, Vice Chair Poe adjourned the Urban Renewal Agency meeting and announced the Agency will now meet in executive session, under the authority of ORS 192.660(2)(e); *to conduct deliberations with persons designated by the governing body to negotiate real property transactions.*

Respectfully prepared and submitted by Hanna Bentley, Deputy City Recorder.

APPROVED:

Henry A. Balensifer III, Chair

ATTEST:

Dawne Shaw, Secretary



AGENDA MEMORANDUM

TO: The Urban Renewal Agency
FROM: Esther Moberg, Urban Renewal Executive Director
DATE: May 14, 2024
SUBJ: Post Office Purchase Offer

SUMMARY

The Urban Renewal Executive Director was given direction and authorization by the Urban Renewal Agency to enter into negotiations and a legal agreement for purchase of the property at 99 N. Main Avenue where the Warrenton Post Office currently resides. Upon successful negotiation, the attached legal agreement is presented for final approval to the Urban Renewal Agency. This property is on the list of "Significant Properties" that the Urban Renewal Agency and Urban Renewal Advisory Committee selected in a work session in 2024. These properties are seen as significant for revitalization of the downtown core business area of Warrenton. The City of Warrenton will take over the current lease agreement with the Post Office.

RECOMMENDATION/SUGGESTED MOTION

I move to approve the legal agreement and purchase of the property at 99 N. Main Avenue, pending inspection and clean title of the property.

ALTERNATIVE

- 1) Other action as deemed appropriate by the City Commission
- 2) None recommended

FISCAL IMPACT

Approved by City Manager: _____

All supporting documentation, i.e., maps, exhibits, etc., must be attached to this memorandum.

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (“Agreement”) is made and entered into as of the last date of signature indicated below (the “Effective Date”), by and between Bernard Bjork (“Seller”) and the Warrenton Urban Renewal Agency (“Buyer”).

RECITALS

- A. Seller is the owner of the real property, together with all the improvements thereon and all rights appurtenant thereto, located 99 N. Main Avenue, Warrenton, Oregon 97146, commonly known as Tax Lot 30268, and more particularly described on the attached Exhibit A and depicted on the attached Exhibit B (the “Property”).
- B. Buyer desires to purchase from Seller, and Seller desires to sell and convey to Buyer, all of Seller’s right, title and interest in the Property.
- C. The terms of this Agreement are as follows:

TERMS

1. **Purchase and Sale.** Seller agrees to sell and convey to Buyer, and Buyer agrees to purchase from Seller, the Property upon the terms and conditions set forth below in this Agreement.
2. **Purchase Price.** The Purchase Price for the Property is FIVE HUNDRED AND FORTY THOUSAND DOLLARS (\$540,000.00) payable as follows:
 - 2.1. Earnest Money Deposit. Within ten (10) days after execution of this Agreement, Buyer shall deposit into escrow with Ticor Title, located at 2263 N. Roosevelt Dr., Seaside, OR, 97138, (the “Title Company”) the sum of TEN THOUSAND DOLLARS (\$10,000.00) (the “Earnest Money”). The Title Company shall invest the Earnest Money in a federally insured, interest-bearing account. The accrued interest will be treated as part of the Earnest Money. If the Earnest Money is retained by Seller, Seller will receive the interest. If the Earnest Money is retained by Buyer, Buyer will receive the interest. At Closing, the Earnest Money, together with interest on it, if any, will be credited toward payment of the Purchase Price.
 - 2.2. Balance of Purchase Price. On or before the Closing Date (as hereafter defined), Buyer shall deposit into escrow with the Title Company the balance of the Purchase Price.
3. **Closing Date.** This transaction shall close no later than thirty (30) days after the Effective Date, unless otherwise extended as set forth herein (the “Closing Date” or “Closing”). Closing will occur at the office of the Title Company.
4. **Buyer’s Title Review.**
 - 4.1. Title Report; Unacceptable Exceptions. Within ten (10) days after the Effective Date, Buyer shall order from the Title Company a preliminary title report on the Property, along with legible copies of all plats and exceptions documents referenced in such report (the “Title Report”). Buyer will have five (5) days following the later of (i) the Effective Date or (ii) Buyer’s receipt of

the Title Report to review the Title Report and give Seller written notice of the exceptions listed in the Title Report that are unacceptable to Buyer (the "Unacceptable Exceptions"). Mortgages, delinquent taxes, or other financial obligations secured by the Property are automatically deemed Unacceptable Exceptions. If Buyer notifies Seller of its objection to any Unacceptable Exceptions, Seller will thereafter have five (5) days to provide Buyer written notice stating whether Seller will (at Seller's sole cost and expense) cause such exceptions to be removed from the Title Policy issued to Buyer at Closing. If Seller refuses to remove any of the Unacceptable Exceptions and Buyer is not then satisfied with the condition of title, Buyer may elect to terminate this Agreement within five (5) days of Seller's notification, in which event the Earnest Money shall be returned to Buyer.

4.2. Failure to Deliver Clean Title at Closing. If Seller fails to eliminate any Unacceptable Exception which Seller agreed to remove pursuant to Section 4.1 by the Closing Date, then Buyer may, without limiting any of its otherwise available remedies, elect to either (a) accept title to the Property subject to such exceptions, (b) refuse to accept the Property and terminate this Agreement, in which case the Earnest Money shall be refunded to Buyer, or (c) extend the Closing Date for a period of fifteen (15) days to provide Seller with additional time to remove such exceptions. If Buyer elects option (c) and at the end of the 15-day period such exceptions have not been removed, Buyer may then elect to proceed in accordance with either option (a) or (b) described above. To the extent that an Unacceptable Exception is a monetary lien or financial obligation secured by the Property, the Title Company is hereby directed to pay off such lien or obligation to the extent that it can be satisfied by application of all or a portion of the Purchase Price delivered into escrow by Buyer at Closing.

4.3. Permitted Exceptions. All exceptions other than the Unacceptable Exceptions objected to by Buyer which Seller agreed to remove pursuant to Section 4.1 shall be deemed acceptable to Buyer (the "Permitted Exceptions"); provided, however, that in no event will mortgages, delinquent taxes, or other financial obligations secured by the Property be deemed Permitted Exceptions. Should the Title Company inform Buyer of any new title exceptions not appearing on the initial Title Report, such new exceptions shall be deemed Unacceptable Exceptions, unless specifically accepted in writing by Buyer.

5. Buyer's Due Diligence and Inspections.

5.1. Due Diligence Period. Buyer shall have thirty (30) days after the Effective Date to review documents, make inspections, and otherwise satisfy itself that the condition of the Property is satisfactory to it (the "Due Diligence Period").

5.2. Seller's Delivery of Documents. Within five (5) days after the Effective Date, Seller shall deliver to Buyer any and all material information and documentation in Seller's possession pertaining to the Property (the "Due Diligence Documents"). The Due Diligence Documents include (without limitation) copies of the following to the extent in Seller's possession: (a) all environmental data, studies, analyses, and reports relating to the Property or any neighboring property, (b) any existing survey of the Property, (c) any existing leases, boundary agreements, road maintenance agreements, or other contracts relating to all or a portion of the Property, (d) all topographical, geotechnical, wetlands, soils, and groundwater reports, or any other professional reports relating to the Property, (e) any well logs or water right certificates or permits relating to the Property, and (f) copies of any government permits, land use approvals or conditions, or zoning restrictions affecting the Property. If Seller is aware of the existence of any material information

and documentation pertaining to the Property that are not in Seller's possession, Seller shall notify Buyer of the existence of such information within five (5) days after the Effective Date or two (2) business days after learning of the such information. Should Seller fail to timely provide Buyer with the Due Diligence Documents, Buyer may, at Buyer's sole discretion, extend the Due Diligence Period for a period not to exceed fifteen (15) days so that Buyer may have adequate time to review such additional documentation.

5.3 Property and Environmental Inspections. Buyer and its agents, including but not limited to consultants, surveyors, engineers, home inspectors, appraisers, and other professionals hired by Buyer, shall have the right to access the Property to conduct structural inspections, sewer and septic system sampling, asbestos and lead testing, and any other due diligence Buyer deems necessary. Seller shall cooperate with Buyer in making such inspections. Buyer and its agents will have the right to enter the Property at reasonable times before Closing to perform such surveys, analyses, studies, appraisals, and other due diligence that Buyer deems necessary; provided, however, that Buyer shall give Seller forty-eight (48) hours' notice prior to entering any residence located on the Property. Any area disturbed or damaged by Buyer's inspections shall be restored by Buyer, at Buyer's sole costs and expense, to its pre-inspection condition, and Buyer shall indemnify, defend, and hold Seller harmless from any liability resulting from any act of Buyer, its agents, employees and representatives in connection with such inspections. Buyer shall maintain or cause its contractors, property inspectors and subcontractors to maintain commercial general liability insurance policies having a combined liability limit of at least One Million and 00/100 Dollars (\$1,000,000.00) and property damage limits of at least One Million and 00/100 Dollars (\$1,000,000.00) to cover its activities on the Property.

6. **Conditions Precedent to Closing.**

6.1. Conditions Precedent to Buyer's Obligations. In addition to any other conditions contained in this Agreement, the conditions set forth in this Section 6.1 must be satisfied prior to Buyer's obligation to acquire the Property. These conditions are intended solely for Buyer's benefit and Buyer has the sole right and discretion to waive, by written notice, any of the conditions. In the event any condition is not satisfied or waived on or before the Due Diligence Period or Closing, as applicable, Buyer will have the right to terminate this Agreement, in which event the Earnest Money shall promptly be returned to Buyer.

6.1.1. Buyer Board of Directors Approval. Prior to the expiration of the Due Diligence Period, the purchase of the Property must be approved by the Warrenton Urban Renewal Agency Board of Directors.

6.1.2. Intentionally Deleted.

6.1.3. Due Diligence and Inspection Results. Prior to the expiration of the Due Diligence Period, Buyer must be satisfied, in its sole and absolute discretion, with its review of the Due Diligence Documents and the results of Buyer's inspections of the Property conducted under Section 5, above. In the event Buyer is not satisfied with the Property, it may determine by notice to Seller on or before the end of the Due Diligence Period to terminate this Agreement in which event the Earnest Money will be returned to the Buyer.

6.1.4. Title. At Closing (a) Seller shall convey fee simple title to the Property to Buyer in accordance with Section 7.1, and (b) the Title Company must be committed to issue to Buyer the Title Policy described below in Section 9.

6.1.5. Representations, Warranties, and Covenants of Seller. Seller's representations, warranties, and covenants set forth in this Agreement shall be true and correct as of the Closing Date.

6.1.6. No Material Changes. At Closing, there shall have been no material adverse changes related to or connected with the Property.

6.1.7. Seller's Deliveries. Seller shall have delivered to the Title Company prior to Closing the documents and materials described below in Section 7.

6.1.8. Removal of Personal Property and Debris. Provided that Buyer has identified all such items prior to the expiration of the Due Diligence Period, Seller shall have removed or have caused to be removed from the Property, at Seller's sole cost and expense, any and all personal property and/or trash, rubbish, debris, illegally dumped materials, or illegal fill materials.

6.2. Conditions Precedent to Seller's Obligations. Closing and Seller's obligations with respect to the transactions contemplated by this Agreement are subject to Buyer's delivery to the Title Company on or before the Closing Date of (i) the Purchase Price and (ii) the documents and materials described below in Section 7.2.

6.3. Failure of Conditions. In the event any of the conditions set forth above in Sections 6.1 or 6.2 are not timely satisfied or waived for a reason other than the default of Buyer or Seller under this Agreement, then this Agreement, escrow, and the rights and obligations of Buyer and Seller hereunder shall terminate and the Earnest Money shall be returned to Buyer.

6.4. Cancellation Fees and Expenses. In the event the escrow terminates because of the nonsatisfaction of any condition for a reason other than the default of Seller under this Agreement, Buyer shall pay the cancellation charges required to be paid to the Title Company. In the event this escrow terminates because of Seller's default, Seller shall pay the cancellation charges required to be paid to the Title Company.

7. Deliveries to the Title Company.

7.1 By Seller. On or before the Closing Date, Seller shall deliver the following into escrow with the Title Company:

7.1.1 Deed. A Statutory Warranty Deed (the "Deed"), duly executed and acknowledged in recordable form by Seller, conveying the Property to Buyer free and clear of all liens and encumbrances except the Permitted Exceptions accepted by Buyer pursuant to Section 4 above. The Title Company's usual, preprinted exceptions (typically listed as general exceptions 1-5 on the Title Report) shall not be listed as exceptions on the Deed.

7.1.2 Nonforeign Certificate. Seller represents and warrants that it is not a “foreign person” as defined in IRC §1445. Seller shall deliver into escrow a certification to this effect in the form required by that statute and related regulations.

7.1.3 Proof of Authority. Such proof of Seller’s authority to enter into this Agreement and consummate the transaction contemplated hereunder, as may be reasonably required by the Title Company.

7.1.4 Lien Affidavits. If Buyer obtains an extended policy of title insurance, any lien affidavits or mechanic’s lien indemnifications as may be reasonably requested by the Title Company in order to issue such extended policy of title insurance.

7.1.5 Other Documents. Such other fully executed documents and funds as are reasonably required by the Title Company of Seller to close the sale in accordance with this Agreement, including (without limitation) escrow instructions.

7.2 By Buyer. On or before the Closing Date, Buyer shall deliver the following into escrow with the Title Company.

7.2.1 Purchase Price. The Purchase Price, in accordance with Section 2 above.

7.2.2 Proof of Authority. Such proof of Buyer’s authority to enter into this Agreement and consummate the transaction contemplated hereunder, as may be reasonably required by the Title Company and/or Seller.

7.2.3 Other Documents. Such other fully executed documents and funds as are required of Buyer to close the sale in accordance with this Agreement, including (without limitation) escrow instructions.

8 Deliveries to Buyer at Closing.

8.1 Right to Possession. At Closing, Seller shall deliver to Buyer exclusive possession of the Property and keys to all improvements and personal property located on the Property.

9 Title Insurance. As soon as practicable following Closing, Seller shall cause the Title Company to issue to Buyer a standard ALTA owner’s title insurance policy in the full amount of the Purchase Price, insuring (a) fee simple title vested in Buyer or its nominees, subject only to the Permitted Exceptions as established under Section 4 of this Agreement and (b) unrestricted vehicular access from the Property to a public road (the “Title Policy”).

10 Closing Costs. Seller shall pay for the Title Policy, one-half of all escrow fees, any real property transfer or excise taxes, all recording charges other than those allocated to Buyer below, and Seller’s share of prorations pursuant to Section 11 below. Buyer shall pay the cost of any endorsements to the Title Policy requested by Buyer, the difference between a standard policy and extended policy of title insurance if requested by Buyer, the cost of recording the Deed, one-half of all escrow fees, and Buyer’s share of prorations pursuant to Section 11 below. Buyer and Seller each shall pay for its own legal and professional fees incurred. All other costs and expenses are to

be allocated between Buyer and Seller in accordance with the customary practice in the county where the Property is located.

11 Prorations and Taxes.

11.1 Prorations. Any and all state, county, and/or city taxes for the current year, rents, or other income or operating expenses pertaining to the Property will be prorated between Seller and Buyer as of the Closing Date.

11.2 Taxes and Assessments. All taxes, assessments, and encumbrances that will be a lien against the Property at Closing, whether or not those charges would constitute a lien against the Property at settlement, shall be satisfied by Seller at Closing. If Seller shall fail to do so, Buyer may pay any such tax, assessment, encumbrance or other charge and deduct an amount equal to any such payment from the Purchase Price. If the Property is subject to farm or forest deferred taxes, Seller shall be responsible for said deferred taxes.

12 Seller's Representations and Warranties. Seller hereby warrants and represents to Buyer the following matters, and acknowledges that they are material inducements to Buyer to enter into this Agreement. These representations and warranties shall survive a period of 12 months after Closing and Seller agrees to indemnify, defend, and hold Buyer harmless from all expense, loss, liability, damages and claims, including (without limitation) attorney's fees, arising out of a cause of action for the breach or falsity of any of Seller's representations, warranties and covenants brought during such 12-month period. Seller warrants and represents to Buyer that the following matters are true and correct, and will remain true and correct through Closing:

12.1 Authority. Seller has full power and authority to enter into this Agreement (and the persons signing this Agreement for Seller, if Seller is not an individual, have full power and authority to sign for Seller and to bind it to this Agreement) and to sell, transfer and convey all right, title, and interest in and to the Property in accordance with this Agreement. No further consent of any partner, shareholder, creditor, investor, judicial or administrative body, governmental authority, or other party is required.

12.2 Unrestricted Access. The Property has unrestricted, insurable vehicular access to a public road.

12.3 Intentionally Deleted.

12.4 Hazardous Substances. For purposes of this Agreement, the term "Hazardous Substances" has the meaning defined in and includes those substances set forth in ORS 465.200. Seller warrants and represents as follows:

(a) Seller has not brought onto, stored on, buried, used on, emitted or released from, or allowed to be brought onto, stored on, buried, used on, emitted, released from, or produced or disposed of, from, or on the Property, any Hazardous Substances in violation of any environmental laws of the federal or state government;

(b) To the actual knowledge of Seller, without duty of inquiry or investigation ("Seller's Knowledge"), no underground storage tanks are located on the Property, including (without limitation) any storage tanks that may have at one time contained any Hazardous Substances;

(c) To Seller's Knowledge, the Property is materially in compliance with applicable state and federal environmental standards and requirements affecting it;

(d) Seller has not received any notices of violation or advisory action by regulatory agencies regarding environmental control matters or permit compliance with respect to the Property;

(e) Seller has not transferred, and to Seller's Knowledge no other person has transferred, Hazardous Substances from the Property to another location that is not in compliance with applicable environmental laws, regulations, or permit requirements; and

(f) There are no proceedings, administrative actions, or judicial proceedings pending or, to Seller's Knowledge, contemplated under any federal, state, or local laws regulating the discharge of hazardous or toxic materials or substances into the environment.

12.5 Encroachments. To Seller's Knowledge (a) all structures and improvements, including any driveways and accessory structures, are wholly within the lot lines of the Property, (b) no existing building, structure, or improvement of any kind encroaches upon the Property from any adjacent property, and (c) there are no present or past discrepancies or disputes regarding the boundaries of the Property.

12.6 Rights and Contracts Affecting Property. Except for this Agreement, Seller has not entered into any other contracts for the sale of the Property or permitted any rights of first refusal or options to purchase the Property. Except for those exceptions of record listed on the Title Report, ordinary assessments from applicable governmental entities, and except as listed in Section 12.6.1, Seller owns the Property in fee, free and clear of all liens, conditions, reservations, mortgages, leases, licenses, easements, prescriptive rights, permits, or other similar encumbrances. Seller has not sold, transferred, conveyed, or entered into any agreement regarding timber rights, mineral rights, water rights, "air rights," or any other development or other rights or restrictions relating to the Property, and to Seller's Knowledge no such rights encumber the Property. There are no service contracts or other agreements pertaining to the Property that Buyer will be required to assume at Closing. On or before Closing and except as listed in Section 12.6.1, Seller agrees to terminate any existing leases, licenses, permits or other agreements allowing others to use the Property unless otherwise agreed to by the Buyer which agreement is in Buyer's sole and absolute discretion.

12.6.1 Existing Lease. The Property is subject to an existing lease with the United States Postal Service ("USPS Lease"). Buyer accepts the Property subject to the USPS Lease, which is attached to this Agreement as Exhibit C and incorporated herein by this reference. Seller represents that neither party to the USPS Lease is in default under the USPS Lease and there are there no pending or threatened claims under the USPS Lease. As a condition of Buyer's performance under this Agreement, Seller shall comply with all provisions of the USPS Lease up to and including the Closing Date, including all notifications required under the USPS Lease. Seller shall also send to Buyer a copy of any notice Seller sends or receives under the USPS Lease or required by the USPS Lease, up to and including the Closing Date.

12.7 Possession. There are no leases, licenses, or other agreements permitting, nor has Seller entered authorized any person or entity to occupy or use any portion of the Property. Seller shall deliver possession of the Property to Buyer at Closing.

12.8 Intentionally Deleted.

12.9 No Legal Proceedings. There is no suit, action, arbitration, judgment, legal, administrative, or other proceeding, claim, lien, or inquiry pending or to Seller's Knowledge threatened against the Property or against Seller that could (a) affect Seller's right or title to the Property, (b) affect the value of the Property, or (c) subject an owner of the Property to liability.

12.10 Mechanic's and Other Liens. No work on the Property has been done or materials provided that have not been paid for in full that would give rise to actual or impending mechanic's liens, private liens, or any other liens, against the Property.

12.11 Public Improvements or Governmental Notices. To Seller's Knowledge, there are no intended public improvements which will result in the creation of any liens upon the Property, nor have any notices or other information been served upon Seller from any governmental agency notifying Seller of any violations of law, ordinance, rule or regulation which would affect the Property.

12.12 Breach of Agreements. The execution of this Agreement will not constitute a breach or default under any agreement to which Seller is bound or to which the Property is subject.

12.13 Bankruptcy Proceedings. No attachments, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization, or other proceedings are pending or, to Seller's Knowledge, threatened against Seller, nor are any such proceedings contemplated by Seller.

12.14 Changed Conditions. If Seller discovers any information or facts that would materially change the foregoing warranties and representations, Seller shall promptly give notice to Buyer of those facts and information and the representations and warranties set forth herein shall be supplemented by such new information. If Seller provides such notice prior to the end of the Due Diligence Period, Buyer may elect prior to the end of the Due Diligence Period, as Buyer's sole remedy, to terminate this Agreement, in which case Buyer will have no obligation to purchase the Property and the Earnest Money shall be refunded to Buyer. If Seller provides such notice following the expiration of the Due Diligence Period, Buyer may elect prior to Closing, as Buyer's sole remedy, to terminate this Agreement, in which case Buyer will have no obligation to purchase the Property and the Earnest Money shall be refunded to Buyer.

13 **Condition of the Property Through Closing**. Seller further represents, warrants, and covenants that until this transaction is closed or escrow is terminated, whichever occurs first, it shall (a) maintain the Property in substantially the same condition as it was on the Effective Date, with no tree cutting, timber harvesting, or alteration of the Property in any way, (b) keep all existing insurance policies affecting the Property in full force and effect, (c) make all regular payments of interest and principal on any existing financing, (d) comply in all material respects with all government regulations, and (e) keep Buyer timely advised of any repair or improvement required to keep the Property in substantially the same condition as it was on the Effective Date.

14 Buyer's Representations and Warranties. In addition to any express agreements of Buyer contained herein, the following constitute representations and warranties of Buyer to Seller:

(a) Subject to the condition in Section 6.1.1, Buyer has the legal power, right, and authority to enter into this Agreement and the instruments referred to herein and to consummate the transactions contemplated herein;

(b) Subject to the condition in Section 6.1.1, all requisite action has been taken by Buyer in connection with entering into this Agreement and the instruments referred to herein and the consummation of the transactions contemplated herein; and

(c) Subject to the condition in Section 6.1.1, the persons executing this Agreement and the instruments referred to herein on behalf of Buyer have the legal power, right, and actual authority to bind Buyer to the terms and conditions of this Agreement.

15 Legal and Equitable Enforcement of This Agreement.

15.1 Default by Seller. In the event Closing and the consummation of the transaction herein contemplated do not occur by reason of any default by Seller, Buyer shall be entitled as its sole remedy to either (a) terminate this Agreement and receive a refund of the Earnest Money or (b) leave the Earnest Money deposited with the Title Company and pursue specific performance of this Agreement.

15.2 Default by Buyer. In the event Closing and the consummation of the transaction herein contemplated do not occur by reason of any default by Buyer, Buyer and Seller agree that it would be impractical and extremely difficult to estimate the damages that Seller may suffer. Therefore, Buyer and Seller agree that a reasonable estimate of the total net detriment that Seller would suffer in the event that Buyer defaults and fails to complete the purchase of the Property is and will be an amount equal to the Earnest Money. This amount shall be Seller's sole and exclusive remedy (whether at law or in equity), and the full, agreed, and liquidated damages for the breach of this Agreement by Buyer. The payment of said amount as liquidated damages is not intended as a forfeiture or penalty. All other claims to damage or other remedies are hereby expressly waived by Seller. Upon default by Buyer, this Agreement will terminate and except as set forth in this section, neither party will have any further rights or obligations hereunder or to one another.

16 Risk of Loss, Condemnation. Seller bears the risk of all loss or damage to the Property from all causes, through the Closing Date. If, before the Closing Date, all or any part of the Property is damaged, destroyed, condemned, or threatened with condemnation, Seller shall give Buyer written notice of such event. Buyer may terminate this Agreement by giving written notice to Seller within ten (10) days following receipt by Buyer of written notice from Seller of such casualty or condemnation and the Title Company shall return to Buyer the Earnest Money and any accrued interest thereon.

17 Notices. All notices required or permitted to be given must be in writing to the address set forth below and will be deemed given upon (a) personal service, (b) deposit in the United States Mail, postage prepaid, (c) deposit a nationally recognized overnight courier service, or (d) email with confirmation of delivery. All such notices shall be deemed received (w) upon personal service, (x)

three (3) days after deposit in the United States Mail, postage prepaid, (y) one (1) day after deposit with a nationally recognized overnight courier service, or (z) if sent during business hours, on confirmation of delivery of such email, and if sent outside of business hours, the next business day following confirmation of delivery of such email.

To Seller: Bernard Bjork
56 Miller Point Road
Rosburg, WA 98643
Phone No. 360-465-2363
Email: darbfishing@wwest.net

To Buyer: Warrenton Urban Renewal Agency
Attn: Executive Director Esther Moberg
PO Box 250
Warrenton, OR 97146
Phone No. 971-286-2017
Email: emoberg@warrentonoregon.us

The foregoing addresses may be changed by written notice, given in the same manner. Notice given in any manner other than the manners set forth above will be effective when received by the party for whom it is intended. Telephone and fax numbers are for information only.

18 Broker or Commission. Each party represents and warrants that it has used no brokers in this transaction. In the event any person or entity asserts a claim for a broker's commission or finder's fee against one of the parties to this Agreement, then Seller shall indemnify, hold harmless, and defend Buyer from and against any such claim if based on any action, agreement, or representations made by Seller; and Buyer shall indemnify, hold harmless, and defend Seller from and against any such claim if based on any action, agreement, or representations made by Buyer.

19 Further Actions of Buyer and Seller. Buyer and Seller agree to execute all such instruments and documents and to take all actions reasonably acceptable to each party pursuant to the provisions of this Agreement in order to consummate the purchase and sale contemplated and both parties shall use their reasonable efforts to accomplish Closing in accordance with the provisions hereof.

20 Miscellaneous.

20.1 Partial Invalidity. If any term or provision of this Agreement or the application to any person or circumstance is, to any extent, found invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances, other than those to which it is held invalid or unenforceable, will not be affected thereby, and each such term and provision of this Agreement will be valid and be enforced to the fullest extent permitted by law.

20.2 Waivers. No waiver of any breach of any covenant or provision contained herein will be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant or provision herein contained. No extension of time for performance of any obligation or act will be deemed an extension of the time for performance of any other obligation or act.

20.3 Survival of Representations. The covenants, agreements, representations, and warranties made herein shall survive 12 months after Closing and will not merge into the Deed upon recordation in the official real property records.

20.4 Representation. This Agreement was prepared by Buyer. Seller represents that Seller had an opportunity to consult with its own legal counsel prior to executing this Agreement. Seller waives any claim that any term or condition herein should be construed against the drafter of the Agreement. This Agreement shall be construed as if it had been prepared by both parties.

20.5 Entire Agreement. This Agreement (including any exhibits attached to it) is the final expression of, and contains the entire agreement between, the parties with respect to the subject matter of the Agreement and supersedes all prior understandings with respect to it. This Agreement may not be modified or terminated, nor may any obligations under it be waived, except by written instrument signed by the party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted herein.

20.6 Time of Essence. Seller and Buyer hereby acknowledge and agree that time is strictly of the essence with respect to every term, condition, obligation, and provision contained in this Agreement. Unless otherwise specified herein, in computing any period of time described in this Agreement, whenever a date for an action required to be performed falls on a Saturday, Sunday, or a state or federal holiday, then such date shall be extended to the following business day.

20.7 Recitals. The statements and information set forth in the Recitals are hereby incorporated as if fully set forth herein and shall be used for the purposes of interpreting this Agreement.

20.8 Governing Law. The parties acknowledge that this Agreement has been negotiated and entered into in the state of Oregon. The parties expressly agree that this Agreement is governed by and should be interpreted in accordance with the laws of the state of Oregon.

20.9 1031 Exchange. Seller may arrange and effect the Closing of the sale of the Property in connection with a simultaneous or non-simultaneous exchange for other property of like kind pursuant to Section 1031 of the Internal Revenue Code of 1986, as amended. Seller shall be responsible for preparing the documents required to effect the exchange and for paying any additional closing, title, or escrow costs incurred in connection with the exchange. Buyer shall cooperate with Seller's efforts to effect an exchange transaction, and shall execute any documents reasonably requested in connection therewith, provided Buyer shall not be required to incur any costs or obligations or to take title to any exchange property other than the Property. The sale of the Property is not conditioned upon Seller's ability to effect an exchange. Notwithstanding the preceding, Buyer shall not be required to delay its development plans for the Property to comply with this section.

THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON

TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301, AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

This document will automatically expire on May 22nd at 5:00 p.m., if not executed by Seller within that time and delivered to BUYER pursuant to the notice requirements contained in Section 17 above.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the last date of signature specified below.

BUYER: Warrenton Urban Renewal Agency SELLER: Bernard Bjork

Signature

Signature

Name: _____

Date: _____

Title: _____

Date: _____

Exhibit A Legal Description

LEGAL DESCRIPTION

PARCEL 1: A curved parcel of land 50 feet wide in the South half of Block 2, Warren's First Extension to the City of Warrenton, in the Southeast quarter of the Northeast quarter of Section 21, Township 8 North, Range 10 West, Willamette Meridian, Clatsop County, State of Oregon, more particularly described as follows:

Beginning at Southwest corner of said Block 2, which is the true point of beginning for this description;

thence North 23° 45' East along the west side of said Block, 27.31 feet;

thence on a 1562.69-foot radius curve to the right (the long chord of which bears North 67° 49' 30" East, 208.08 feet) a distance of 208.19 feet to the West right of way line of the Fort Stevens Road as established by Final Order dated June 6, 1941;

thence on a 542.96 foot radius curve to the right (the long chord of which bears South 1° 18' East, 52.38 feet) and following said Fort Stevens Road West right of way line a distance of 52.40 feet to the South line of said Block 2; thence on a 1512.69 foot radius curve to the left (the long chord of which bears South 67° 39' 30" West, 179.52 feet) and following the South line of said block, a distance of 179.58 feet;

thence North 66° 15' West along said South line 42.40 feet to the Southwest corner of said block and the true point of beginning.

TOGETHER with that portion of vacated West Harbor Street (formerly 2nd Street) and SW Main Court (formerly Cedar Street).

ALSO TOGETHER with that portion of vacated Railway Avenue which by law inures.

PARCEL 2: Beginning at the intersection of the South boundary of Railway Avenue in the plat of WARREN'S FIRST EXTENSION OF WARRENTON, Clatsop County, Oregon, with the Northerly extension of the West boundary of Main Street, in the plat of WARRENTON ADDITION TO ASTORIA, as laid out by D. K. WARREN;

Said point of beginning being located North 23° 53' East 561.3 feet from the Southeast corner of Block 9, WARRENTON ADDITION TO ASTORIA;

thence Southwesterly along said South boundary on a non-tangent 1469.21 foot radius curve left, the long chord of which bears South 70° 41' 37" West 47.24 feet, a distance of 47.25 feet;

thence South 66° 07' East 34.45 feet to an intersection with said Northerly extension of the West boundary of Main Street;

thence North 23° 53' East 32.33 feet to the point of beginning.

**Exhibit B
Property Depiction**

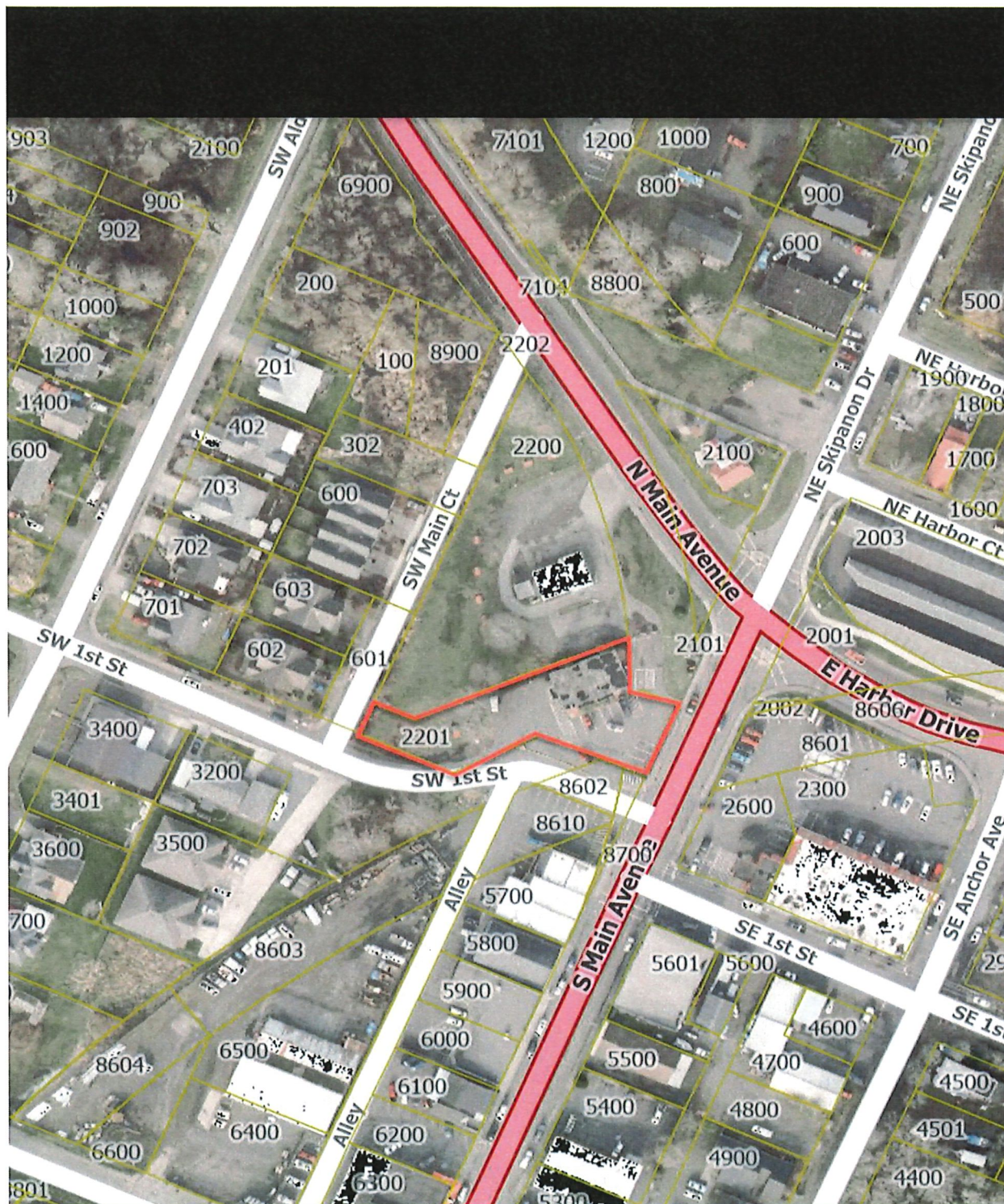


Exhibit B Property Depiction

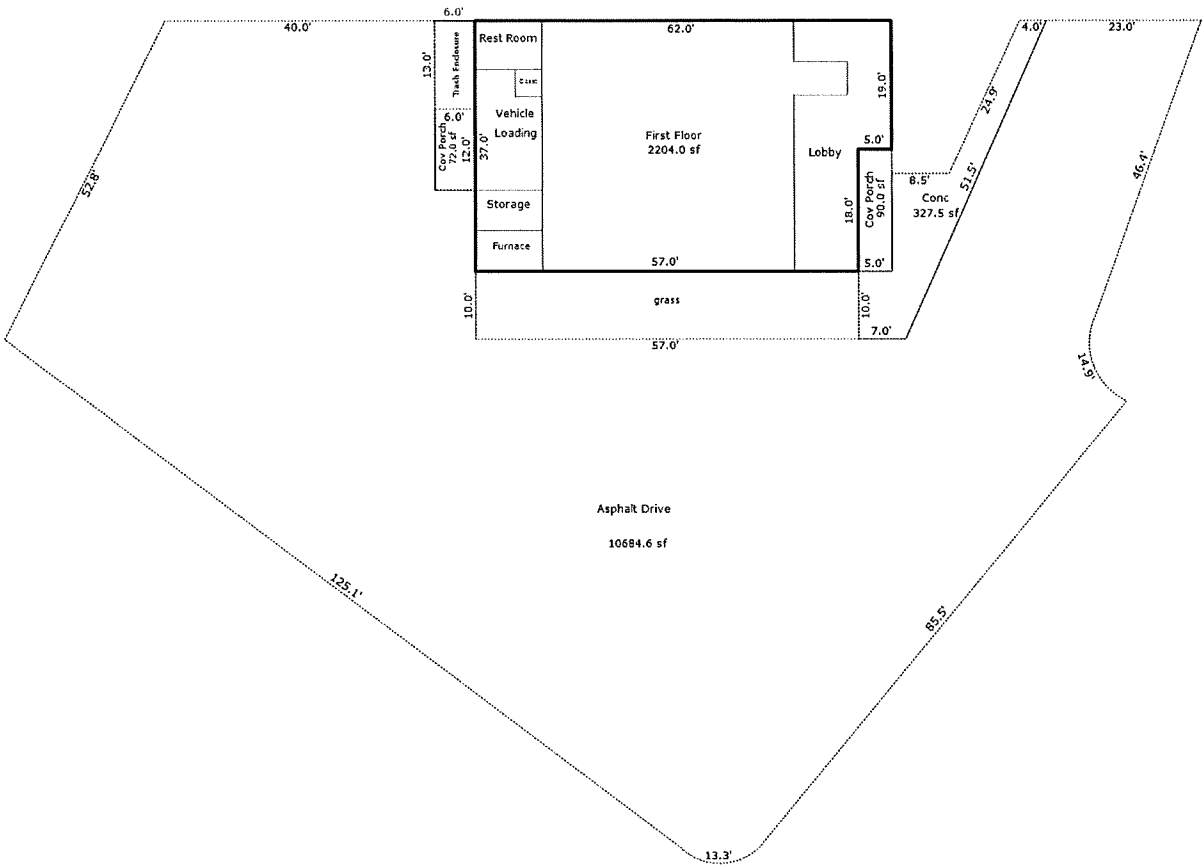
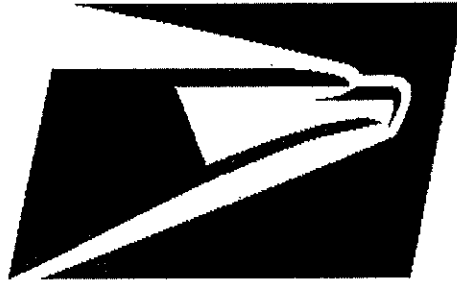


Exhibit C
USPS Lease

Copy



UNITED STATES
POSTAL SERVICE™

Lease

WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

Takes Effect Nov. 2019



Lease (Single-Tenant Form)

Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

This Lease, by and between BERNARD BJORK, ("**Landlord**") and the United States Postal Service ("**USPS**" or "**Postal Service**"), is made as of the Effective Date. The "**Effective Date**" shall mean the date the Postal Service executes this Lease.

In consideration of the mutual promises set forth and for other good and valuable consideration, the sufficiency of which are hereby acknowledged, the parties covenant and agree as follows:

1. **PREMISES:** Landlord hereby leases to the Postal Service and the Postal Service leases from Landlord, the following premises (the "**Premises**") consisting of the entirety of the one story Brick/Block building having a street address of 99 N MAIN ST, WARRENTON, OR 97146-9333 (the "**Building**") situated upon the real property with an Assessor's Parcel Number of 30268 and legally described in **Exhibit A** attached hereto and by this reference incorporated herein (the "**Property**"). The Premises consists of approximately 2,038 square feet of net interior space and additional space, if any, as shown on Exhibit C and incorporated herein by this reference.

The Postal Service shall have the right to use any and all appurtenances and easements benefiting the Premises and the Property, including sidewalks, driveways, drive lanes, entrances, exits, access lanes, roadways, service areas, and parking areas, wherever located in or on the Property, which the Postal Service deems necessary or appropriate to support its intended use of the Premises and to exercise its rights under this Lease. Landlord shall not make any changes to the size, location, nature, use or place any installations upon the sidewalks and parking areas of the Property which impair the accessibility to or visibility of or ease of use of the Premises by the Postal Service and/or its customers, as reasonably determined by the Postal Service.

2. **TERM:** The Lease shall be effective as of the Effective Date but the term of this Lease and the obligations of the Postal Service, including the payment of any charges or rent under this Lease, shall begin on November 19, 2019 ("**Commencement Date**") and end on October 30, 2024, unless sooner terminated or extended as provided herein. If this Lease is extended, then such extended period shall also be referred to herein as the "**term**."

3. **RENT:** The Postal Service will pay Landlord an annual rent of: \$31,650.00 ("**Rent**"), payable in equal installments at the end of each calendar month during the term. Rent for a part of a month will be prorated according to the number of days of the month occurring during term.

Rent shall be paid to:
BERNARD BJORK
36293 BARTOLDUS LOOP
ASTORIA, OR 97103-8510

4. **RENEWAL OPTIONS:** The Postal Service shall have the right to the following renewal options:

Period	Annual Rent
10/31/2024 10/30/2029	\$34,815.00

provided that notice of exercise of each such renewal option is sent in writing, to the Landlord at least 30 days before the end of the initial Lease term and each renewal term. All other terms and conditions of this Lease will remain the same during any renewal term unless stated otherwise herein.



Lease (Single-Tenant Form)

Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

5. OTHER PROVISIONS: When used herein the term "lease" or "Lease" includes all of the following additional provisions, modifications, riders, layouts, and/or forms which were agreed upon prior to execution and made a part of this Lease.

- General Conditions to USPS Lease
- Real Estate Conflict of Interest Certification
- Maintenance Rider USPS Responsibility (Partial)
- Tax Rider Reimbursement of Paid Taxes
- Utilities, Service, & Equipment Rider

6. TERMINATION: There shall be no early termination rights, except as otherwise provided in this Lease.

[Signature Page Follows]



Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

LANDLORD

Bernard Bjork

Diana L Bartolotta

Name: Diana L Bartolotta
Witness

By: Bernard Bjork

Name: Bernard Bjork

Title: _____

Terry J Erickson

Name: Terry J Erickson
Witness

Date: 8-12-18

Provide for Execution by Witnesses above or Notary below

State of _____

County of _____

I, the undersigned Notary Public of the County of _____ and State aforesaid, certify that _____ personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed. Witness my hand and Notarial stamp or seal this _____ day of _____, _____.

My Commission Expires: _____

(Affix Seal)

Notary Public
Notary's Printed or Typed Name

POSTAL SERVICE

By: Terrence Brennan

Name: TERRENCE BRENNAN

Title: Contracting Officer

Date: 8/31/18



Real Estate Conflict of Interest Certification

Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

To avoid actual or apparent conflicts of interest, the United States Postal Service ("Postal Service") requires the following certification from you as a potential Landlord/Licensor/Supplier/Contractor to the Postal Service. Please check all that apply in item A below. Further, please understand that the Postal Service will be relying on the accuracy of the statements made by you in this certification in determining whether to proceed with any possible transaction with you.

I, Bernard Bjork - Bernard Bjork hereby certify to the Postal Service as follows:
[PRINT: name of potential Landlord/Licensor/Supplier/Contractor]

A. (Check all that apply) I am:

- (i) A Postal Service employee;
- (ii) The spouse of a Postal Service employee;
- (iii) A family member of a Postal Service employee; (Relationship) _____
- (iv) An individual residing in the same household as a Postal Service employee;
- (v) I am one of the individuals listed in (i) through (iv) above AND a controlling shareholder or owner of a business organization leasing or licensing space or intending to lease or license space to the Postal Service; OR
- (vi) None of the above.

B. (Complete as applicable):

i. I have the following job with the Postal Service:

(Title) _____ (Location) _____

ii. My spouse who works for the Postal Service holds the following job:

(Title) _____ (Location) _____

iii. My family member who works for the Postal Service holds the following job:

(Title) _____ (Location) _____

iv. My household member who works for the Postal Service holds the following job:

(Title) _____ (Location) _____

C. If you have checked "none of the above" and during the lease or license term or any renewal term, you do fall into any of the categories listed in A (i) through (v) above, you shall notify the Postal Service's Contracting Officer in writing within 30 days of the date you fall into any of the such categories and shall include an explanation of which of the above categories now applies.

D. The person signing this certification has full power of authority to bind the potential Landlord/Supplier/Contractor named above.



Real Estate Conflict of Interest Certification

Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

Executed this 13th day of August, 2018

BY: Bernard Bjork
[Insert Signature]

BY: Bernard Bjork
[PRINT: name of entity or person]

Title: N/A
[Insert title]

[INTERNAL USE ONLY: 1) If A(vi) 'none of the above' is selected, stop, file form with the lease/license. 2) If other items are selected, submit form to Ethics.help@usps.gov. File form and Ethics determination with the lease/license.]



Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
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Exhibit A

[Legal Description of Property]

All that certain one-story masonry building, having inside measurements of 59'8" x 35'8", providing approximately 2,038 net interior sq. ft.; plus 10' x 15', providing a 150 sq. ft. mailing slab; and the remainder of the 9,000 sq. ft. site to provide the improved and unimproved areas, including approximately 3,600 sq. ft. of gravel and rock maneuvering area, all being situated on all that portion of Block 2, WARREN'S FIRST EXTENSION, to the City of Warrenton, lying southeasterly of a line 50' northwesterly from when measured at right angles to the northwesterly line of Railway Avenue, also known as the foot of Stevens Boulevard and Railway Avenue, City of Warrenton, County of Clatsop, State of Oregon.

(Tax ID#30268)



Exhibits

Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

Exhibit B

Parking Area
(If Applicable)



Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

Exhibit C

Area	Sq ft
Rentable SF:	2,038
Total USPS Leased SF:	2,038
Exterior, Total Site:	9,000
Exterior, Platform and Ramp:	150
Exterior Parking, USPS:	3,600



General Conditions to USPS Lease

Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

1. APPLICABLE CODES AND ORDINANCES

The Landlord shall comply with all codes and ordinances applicable to the ownership and operation of the Building and Property without regard to the Postal Service tenancy and obtain all necessary building permits, certificates of occupancy, and similar related items at no cost to the Postal Service. The Postal Service agrees (i) to comply with all applicable codes and ordinances to the operations of the Postal Service at the Premises, to the extent enforceable against the Postal Service, and (ii) when the Postal Service or one of its contractors (other than Landlord) is performing work at the Premises, the Postal Service will be responsible for obtaining applicable permits and related items and to pay the associated costs. Nothing herein shall be construed as a waiver of the Postal Service's sovereign immunity.

2. LANDLORD'S INTEREST

a. Landlord represents and warrants to the Postal Service that as of the Effective Date, (i) Landlord owns and holds fee title in and to the Building, the Premises and the Property; (ii) there are no encumbrances, liens, agreements, covenants in effect that would materially interfere with the Postal Service's ability to operate its operations, materially impair the Postal Service's rights under this Lease, or materially increase the Postal Service's obligations under this Lease; and (iii) Landlord is unaware of any existing or impending condemnation plans, proposed special assessments or other adverse physical conditions relating to the Property. The term "Landlord" as used herein shall mean only the owner or owners, at the time in question, of the fee title (or a tenant's interest in a ground lease) of the Property.

b. If this Lease provides for payments aggregating \$10,000 or more to Landlord, claims for monies due or to become due from the Postal Service under it may be assigned by Landlord 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 assignment or reassignment must cover all amounts payable and must not be made to more than one party at a time, except that assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in financing this Lease. No assignment or reassignment by Landlord 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 and other reasonable documentation, including without limitation, a W-9, is filed with:

1. the Postal Service's Contracting Officer; and
2. the surety or sureties, if any, upon any bond.

c. Assignment by Landlord of this Lease or any interest in this Lease other than in accordance with the provisions of this clause will be grounds for termination of this Lease by the Postal Service.

d. Nothing contained herein shall be construed so as to prohibit transfer of ownership of the Premises by Landlord, provided that:

1. such transfer is subject to this Lease;
2. a copy of the recorded deed or other official transfer instrument evidencing the transfer is provided to the Postal Service; and



General Conditions to USPS Lease

Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

3. Landlord shall cause its assignee or transferee to assume the provisions of this Lease and Landlord shall deliver notice of such assignment or transfer and a copy of the effective instrument of transfer to the Postal Service within 15 days after the date of transfer. In addition, both the original Landlord and the successor landlord shall execute the standard Certificate of Transfer of Title to Leased Property and Lease Assignment and Assumption form to be provided by the Postal Service within 15 days after receipt of such form from the Postal Service. If due to the death or dissolution of the original Landlord preventing the execution and delivery of the Certificate of Transfer of Title to Leased Property and Lease Assignment and Assumption form, the Postal Service may reasonably request such other documentation to evidence the transfer and ownership by the successor landlord, including but not limited to, a W-9 and an agreement to indemnify and hold harmless the Postal Service with respect to any claims by other parties of ownership interest in the Premises or entitlement to the Rent. The Postal Service shall be entitled to continue to pay rent and give all notices to Landlord until it has received the foregoing from Landlord. Landlord shall deliver all such funds in which the Postal Service has an interest to Landlord's successor or assignee. Provided Landlord's successor or assignee expressly assumes Landlord's duties and covenants under this Lease as required hereunder, Landlord shall be released from all liability toward the Postal Service arising from this Lease because of any act, occurrence or omission of Landlord's successors occurring after the transfer of Landlord's interest in this Lease. Nothing herein shall be deemed to relieve Landlord of any liability for its acts, omissions or obligations occurring or accruing up to and including the date of such transfer, and the Postal Service shall be free to exercise any and all remedies for a Landlord default against either the Landlord or a successor landlord, at the election of the Postal Service. Notwithstanding anything to the contrary contained herein, in the case of new leased space projects, this Lease may only be assigned or ownership of the property transferred following commencement of the fixed term, unless prior written consent is obtained from the Postal Service.

3. ASSIGNMENT/SUBLEASE BY THE POSTAL SERVICE

The Postal Service may sublet all or any part of the Premises or assign this Lease only with the prior written consent of Landlord, such consent not to be unreasonably withheld, conditioned, or delayed, but the Postal Service shall not be relieved from any obligation under this Lease by reason of any subletting or assignment. If Landlord fails to respond in writing to a written request to sublease or assign from the Postal Service within 10 business days after receipt by Landlord of the Postal Service's written request, Landlord shall be deemed to have consented to such sublease or assignment, as applicable.

4. ALTERATIONS AND RESTORATION

a. The Postal Service shall have the right to make alterations, attach fixtures and erect additions, structures and install flags or signs in or upon the Premises or common areas; which fixtures, additions, structures, flags or signs so placed in, upon or attached to the Premises or common areas shall be and remain the property of the Postal Service and may be removed or otherwise disposed of by the Postal Service at any time and from time to time, including, without limitation, at the end of the term or any renewal term, subject to the provisions of Section 4b below.

b. Upon expiration or termination of this Lease, the Postal Service shall remove its personal property and restore the Premises to a "broom clean" condition with any systems and structures for which the Postal Service is responsible (under the Maintenance Rider attached to this Lease) in working order. Except as provided to the contrary in the immediately preceding sentence, the Postal Service shall not be responsible to restore any condition due to reasonable and ordinary wear and tear, damages by the elements, or by circumstances over which the Postal Service has no control. The Postal Service at its sole option may, prior to the expiration or termination of the



General Conditions to USPS Lease

Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

Lease, remove any or all of the alterations or improvements or elect to abandon the alterations or improvements in or on the Premises. If the Postal Service elects to abandon, the abandoned alterations and improvements shall become the property of the Landlord and the Postal Service shall be relieved of any liability in connection therewith; provided, however, if following expiration of the Lease the Postal Service enters into a new lease agreement with Landlord to remain in the Premises, the Postal Service shall have continued responsibility for maintenance of such alterations or improvements which were installed by the Postal Service during the term of this Lease (and not by Landlord) in accordance with the Maintenance Rider attached to this Lease.

5. DAMAGE AND DESTRUCTION

a. **Obligation to Repair.** If all or any portion of the Premises, parking areas, or any common areas of the Property providing access to the Premises or access to the parking areas are damaged or destroyed by fire or other casualty, Acts of God, of a public enemy, riot or insurrection, vandalism, or other similar casualty (each, a "Casualty"), Landlord shall, subject to the provisions of this Section, promptly commence and diligently pursue to completion the repair of such damage so that the Premises and the parking areas, or any common areas of the Property providing access to the Premises or access to the parking areas are restored to a condition of similar quality, character and utility for the Postal Service's purposes and to the Postal Service's reasonable satisfaction. Landlord shall not be responsible for (i) repairing or restoring the Premises to the extent the Casualty in question results from the negligent act, omission or negligence of the Postal Service or its employees (in which event that portion of the costs of repairs for damage directly caused by the negligence of the Postal Service shall be the responsibility of the Postal Service), (ii) repairing or restoring any improvements, alterations, or additions installed by the Postal Service, or (iii) any furniture fixtures, equipment, or other personal property of the Postal Service.

b. Time Period to Repair.

(i) If the damage from the Casualty is such that the Postal Service reasonably determines the Premises is tenantable (i.e. suitable for the Postal Service's use and occupancy in the then ordinary course of its business being conducted on the date of the Casualty), the Postal Service shall so notify Landlord not later than 3 days following the Casualty. Landlord shall submit to the Postal Service a copy of its construction contract for the repair or evidence of its filing of applications for necessary building permits and/or other required governmental approvals (as applicable) for the repair, within 30 days after the date of the Casualty, and shall complete the repair to the reasonable satisfaction of the Postal Service within 90 days after the date of the Casualty. Nothing stated herein is intended to relieve Landlord of its continuing obligations under this Lease, including, without limitation, Landlord's obligations to comply with law and for maintenance under this Lease.

(ii) If the damage from the Casualty is such that the Postal Service reasonably determines the Premises is untenable (i.e., not suitable for the Postal Service's use and occupancy in the then ordinary course of its business being conducted on the date of the Casualty), the Postal Service shall so notify Landlord not later than 3 days following the Casualty. If the Postal Service gives such notice that the Premises is untenable, Landlord shall submit to the Postal Service a copy of its construction contract for the repair or evidence of its filing of applications for necessary building permits and/or other required governmental approvals (as applicable) for the repair, within 90 days after the date of the Casualty, and shall complete the repair within 270 days after the date of the Casualty. Nothing stated herein is intended to relieve Landlord of its continuing obligations under this Lease, including, without limitation, Landlord's obligations to comply with law and for maintenance under this Lease so that the Premises, if tenantable following the Casualty, remain tenantable.

c. **Postal Service's Remedies.** If Landlord fails to meet any of the deadlines set forth in subsection b(i) or (ii), as applicable, then the Postal Service may (i) perform the repair (by contract or otherwise) and recover the cost plus a reasonable administrative cost and/or interest, by offsetting Rent and other payments and reimbursements due or



General Conditions to USPS Lease

Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

to become due to Landlord under this Lease and/or any other lease with Landlord, or (ii) terminate the Lease upon 30 day's prior written notice with a termination date effective as of the date of such Casualty.

d. **Abatement of Rent.** Rent and all other payments and reimbursements due or to become due to Landlord under this Lease shall abate, in whole or in part, commencing on the date the Postal Service reasonably determines all or any portion of the Premises, any common areas of the Property providing access to the Premises, or parking areas or access thereto are untenantable or unfit for the Postal Service's use or occupancy and continuing until the Premises, common areas providing access to the Premises or parking areas are once again tenantable or fit for the Postal Service's use or occupancy, as applicable. The Rent and all other payments and reimbursements due or to become due to Landlord under this Lease shall abate from time to time in proportion to the part or parts of the Premises not reasonably capable of such use and occupancy or the degree to which access to the Premises or parking for the Premises is reduced. The Postal Service shall attempt to continue the operation of its business on the Premises following a Casualty to the extent reasonably practicable consistent with life safety and good business practices. No exercise by the Postal Service of its right to rent abatement as stated above is intended to extend the time periods for producing the contracts for repair and for the completion of construction when the Premises are deemed to be tenantable or untenantable by the Postal Service as described hereinabove. By way of example, and not in limitation, in the event that a Casualty occurs and the damage from the Casualty is such that the Postal Service reasonably determines that a portion of the Premises is suitable for the Postal Service's use and occupancy in the then ordinary course of its business, then while rent will abate for the untenantable portion as described above, the Landlord shall remain obligated to submit to the Postal Service a copy of its construction contract for the repair or evidence of its filing of building permits, if applicable, for the repair, within 30 days after the date of the Casualty, and complete the repair to the reasonable satisfaction of the Postal Service within 90 days after the date of the Casualty.

6. INSURANCE

a. **Postal Service's Insurance.** Landlord acknowledges that the Postal Service does not routinely purchase commercial insurance or maintain a separate account for potential claims, as is required to technically be considered "self-insured." Rather, the Postal Service is authorized to pay proper claims against it out of its general revenue fund and available credit, and is subject to suit for damages. Liability claims against the Postal Service are governed by the Federal Tort Claims Act, 39 U.S.C. §409(c), with the specific provisions being set forth at 28 U.S.C. §§1346(b), 2401(b), and 2671-2680. With respect to the issue of Workers' Compensation coverage, pursuant to 39 U.S.C. §1005(c), the Federal Employees' Compensation Act ("FECA"), 5 U.S.C. §§8101 et seq., is the exclusive remedy for all postal employees who sustain personal injuries on the job. While the Landlord is hereby waiving its standard insurance requirements for the Postal Service, if at any time the Postal Service assigns or subleases any portion of the Premises in accordance with the terms of this Lease to a non-governmental entity, Landlord has the right to impose its reasonable insurance requirements on the assignee and/or subtenant which are based on the assignee's and/or subtenant's proposed use of the Premises including the requirement that the assignee and/or subtenant reimburse Landlord for any increase in insurance premiums incurred by Landlord as a result of the assignee and/or subtenant's proposed use for the balance of the Term and any extensions, all as a condition of the assignment or sublease.

b. **Landlord's Insurance.** Landlord shall, at its own expense, obtain and keep in full force and effect, the following insurance from an insurance company with a Best's rating of at least A and a Best's financial performance rating of at least 7. The insurance required to be carried by Landlord under this Section shall be referred to herein as "Landlord's Insurance." Upon request, Landlord shall provide the Postal Service with a copy of the certificate of insurance and premium bill evidencing Landlord's Insurance, together with the appropriate form stating Landlord's insurance policy(ies) has been endorsed.



General Conditions to USPS Lease

Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

(i) Liability Insurance. Bodily injury, personal injury and property damage insurance, naming the Postal Service as an additional insured, insuring against claims of bodily injury or death, personal injury or property damage, arising out of or in connection with Landlord's acts or omission upon, in or about the Property, with an each occurrence limit of not less than \$2,000,000 and a general aggregate limit of not less than \$2,000,000. Landlord's Insurance shall be primary with respect to any claim covered under such insurance and arising out of events that occur outside the Premises. Landlord shall have the right, but not the obligation, to increase the amounts or limits of insurance to such amounts as Landlord deems reasonably necessary. Landlord may, at Landlord's option, carry insurance required under this Section under an umbrella policy or policies for coverage amounts exceeding \$1,000,000, provided that such umbrella policy or policies otherwise comply with the requirements of this Section.

(ii) Property Insurance. Insurance covering loss or damage to the Premises and the Property by reason of fire (extended coverage) and those perils included within the classification of "Special Form Causes of Loss" insurance (with other appropriate endorsements), which insurance shall be in the amount of at least 90% of the full replacement value of the Premises (exclusive of excavation, footings, and foundations) as determined by insurance company appraisers or Landlord's insurance broker.

(iii) Flood, Earthquake, and Tornado Insurance. Insurance covering loss or damage to the Premises and the Property by reason of flood, earthquake, or tornado, which insurance shall be in the amount in line with insurance carried by comparable property owners of comparable properties within the vicinity of the Property.

7. HAZARDOUS/TOXIC CONDITIONS CLAUSE

a. **Definitions.** As used in this Lease, the following terms have the following meanings:

"**Environmental Laws**" mean all federal, state or local statutes, laws, ordinances, rules or regulations, relating to protection of human health or the environment, including but not limited to (i) all laws relating to the release of Hazardous Materials into the air, surface water, groundwater or land, or relating to the reporting, investigation or remediation of, licensing, manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials; (ii) all laws pertaining to the protection of the health and safety of employees; and (iii) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. §9601 et seq.; the Hazardous Materials Transportation Act as amended 49 U.S.C. §1801 et seq.; the Resource Conservation and Recovery Act, as amended 42 U.S.C. §6901 et seq.; and the Federal Water Pollution Control Act, as amended, 33 U.S.C. §1251 et seq.

"**Hazardous Materials**" mean (i) any toxic substance or hazardous waste, substance or related material, or any pollutant or contaminant that is or may hereafter be defined as or included in the definition of "hazardous substances," "toxic substances," "hazardous materials," "hazardous waste" or words of similar import under any and all Environmental Laws; (ii) petroleum, radon gas, asbestos in any form that is or could become friable, urea formaldehyde foam insulation, transformers or other equipment that contain dielectric fluid containing levels of polychlorinated biphenyls in excess of federal, state or local safety guidelines, whichever are more stringent; and (iii) any substance, gas material or chemical that is or may hereafter be defined as or included in the definition of "hazardous substances," "toxic substances," "hazardous materials," "hazardous waste" or words of similar import under any Environmental Laws.

"**Environmental Contamination**" means the presence of any Hazardous Materials which includes the presence of friable asbestos materials at any level, in, on, or under the Property, the Premises, common areas or the Building, at levels that require reporting to the enforcing environmental regulatory agency and/or environmental response action (s) under applicable Environmental Laws.



General Conditions to USPS Lease

Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

"Asbestos-Containing Material" (ACM) means any material containing more than 1% asbestos as determined by using the method specified in 40 CFR Part 763, Subpart E, Appendix E. "Friable asbestos material" means any ACM that, when dry, can be crumbled, pulverized, or reduced to powder by hand pressure.

b. **Landlord Disclosure.** The Landlord shall disclose in writing to the Postal Service with regards to the Property: (i) the known presence of Environmental Contamination; (ii) the known presence, location and quantity of all ACM or presumed asbestos containing material (PACM) which includes all thermal system insulation, sprayed on and troweled on surfacing materials, and asphalt and vinyl flooring material unless such material has been tested and identified as non-ACM; and (iii) any known information concerning the presence of lead-based paint, radon above 4 picoCuries/liter (pCi/L), and lead piping or solder in drinking water systems.

c. **Landlord Certification.** By execution of this Lease, the Landlord certifies that, to the best of its knowledge and excluding any written disclosures per paragraph 7.B, the Property is (i) free of Environmental Contamination; (ii) there are no undisclosed underground storage tanks or associated piping on, in, or under the premises or property; (iii) there are no ACMs, radon, lead-based paint, or lead piping or solder in drinking water systems, or in or on the Property; and (iv) Landlord has not received, nor is Landlord aware of, any notification or other communication from any party concerning any environmental condition, or violation or potential violation of any Environmental Law, regarding the Property or its vicinity. If the Landlord becomes aware of any such conditions, potential conditions, or violations of any Environmental Law regarding the Property or its vicinity defined herein, subsequent to Lease commencement, Landlord must disclose the new information to the Postal Service as soon as possible, and under no circumstances later than 5 business days after first becoming aware.

d. **Environmental Condition of the Premises.**

(i) Unless due to the negligence of the Postal Service, if after the Lease Commencement Date or any renewal thereof, Environmental Contamination is at any time identified on the Property, upon notification by the Postal Service, Landlord agrees to remediate such Environmental Contamination to the extent required by Environmental Laws. Prior to performing any work, Landlord must seek and receive written approval by the Postal Service Contracting Officer of the Landlord's contractor and scope of work, and such approval will not be unreasonably withheld. The foregoing notwithstanding, the Postal Service shall pay a portion of the costs of remediation of Environmental Contamination caused directly by the negligence of the Postal Service.

(ii) If non-friable ACM is subsequently found in or on the Property or the Building which reasonably should have been determined, identified, or known to the Landlord, the Landlord agrees to conduct, at Landlord's sole expense, an asbestos survey of the premises pursuant to the standards of the Asbestos Hazard Emergency Response Act (AHERA), establish an Operations and Maintenance (O&M) plan for asbestos management, and provide the survey report and plan to the Postal Service. If friable ACM is subsequently found in or on the Property or the Building which reasonably should have been determined, identified, or known to the Landlord, the Landlord agrees at Landlord's sole expense, to remove and/or abate the friable ACM.

(iii) In performance of any work under this Clause, Landlord and Landlord's agents, contractors, and consultants ("**Landlord's Agents**") shall provide all information and data obtained, generated or learned as a result the work, including all verified lab data and all consultant reports, studies and analysis to Postal Service as soon as they become available, but no later than the 7 business days after receipt. In addition, if requested by Postal Service, Landlord and Landlord's Agents shall promptly make available to Postal Service access to all raw data, whether or not verified. Landlord also shall provide Postal Service with copies of all correspondence, information and documents submitted by or received by Landlord or Landlord's Agents from any third party or any governmental authority relating to the work promptly upon its receipt and/or submission by Landlord or Landlord's Agents. Postal Service shall be permitted to have representatives present during all work, and Landlord and Landlord's Agents



General Conditions to USPS Lease

Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

shall provide to Postal Service samples, copies of the results of on-site testing and visual inspections, and access at all reasonable times to all samples and tests taken or conducted. If non-friable ACM, whether disclosed by the Landlord prior to execution of this Lease or subsequently found in or on the Property after execution of this Lease, should become friable due to any cause other than the negligence of the Postal Service, the removal, abatement, containment, repair, remediation, replacement or environmental response to such friable ACM shall be performed by the Landlord at the Landlord's sole cost and expense. If ACM in or on the Property or the Building was rendered friable due to the negligence of the Postal Service (including any such negligence of the Postal Service under any prior lease or leases of the Premises), the Postal Service shall be liable for the removal, abatement, containment, repair, remediation, replacement or environmental response to such friable ACM at the Postal Service's sole cost and expense. The parties agree as follows: (1) neither of the following shall constitute the negligence of the Postal Service: (a) reasonable and ordinary wear and tear and (b) damages by the elements or by circumstances over which the Postal Service has no control; (2) to the extent a failure by the Postal Service to maintain the improvements containing ACM in accordance with the Postal Service's obligations under the Maintenance Rider in the current or a prior lease of the Premises causes asbestos in ACM in the Premises to become friable, such failure shall constitute the negligence of the Postal Service hereunder, and the Postal Service shall be liable for the removal, abatement, containment, repair, remediation, replacement or environmental response to such friable ACM at the Postal Service's sole cost and expense; and (3) to the extent a failure by the Landlord to maintain the improvements containing ACM in accordance with the Landlord's obligations under the Maintenance Rider in the current or a prior lease of the Premises causes asbestos in ACM in the Premises to become friable, such failure shall constitute the negligence of the Landlord hereunder, and the Landlord shall be liable for the removal, abatement, containment, repair, remediation, replacement or environmental response to such friable ACM at the Landlord's sole cost and expense.

(iv) If the Landlord fails to remove, or otherwise respond to in accordance with Environmental Law, any friable asbestos materials or Environmental Contamination, or fails to complete an AHERA asbestos survey and O&M plan with such diligence as will ensure its completion within the time specified in Postal Service notice to Landlord (or any extension thereof as may be granted at the sole discretion of the Postal Service), or fails to complete the work within said time, as provided in the Maintenance Rider, the Postal Service shall have the right to perform the work (by contract or otherwise), and withhold the cost plus administrative costs and/or interest, from rent payments due or to become due or to become due under this Lease (or from other amounts owed to Landlord by the Postal Service or federal government). Completion of the work by Postal Service shall not relieve Landlord of its responsibility to perform the work in the future. 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 untenable or unavailable to it by reason of such condition. Alternatively, if Landlord fails to prosecute the work as required and the Postal Service Contracting Officer determines that the premises are untenable or unfit for use or occupancy, with reasonable discretion, cancel this Lease in its entirety without liability. The remedies provided in this section are non-exclusive and are in addition to any remedies available to the Postal Service under applicable law.

e. Landlord Indemnification of Postal Service. Landlord hereby indemnifies and holds harmless the Postal Service and its officers, agents, representatives, and employees from and against any and all claims, losses, damages, actions, causes of action, expenses, fees and/or liability resulting from, brought for, or on account of any violation of this Clause or in any way arising out of or connected to Environmental Contamination on the Property, except that Landlord shall not be required to indemnify the Postal Service for, and to the extent of, that portion of the Environmental Contamination caused directly by the negligence of the Postal Service.

f. Rights to Contribution. Nothing stated herein is intended to limit the right of the Landlord or the Postal Service to make claims for contribution or cost recovery under applicable laws against each other or any other persons or entities responsible for such Environmental Contamination.



General Conditions to USPS Lease

Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

8. DEFAULTS

a. **Default by Postal Service.** The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by the Postal Service:

- (i) The failure by the Postal Service to make any payment of Rent or any other payment required to be made by the Postal Service under this Lease, as and when due, where such failure shall continue for a period of 30 days after Landlord notifies the Postal Service in writing of such failure; or
- (ii) The failure by the Postal Service to observe or perform any of the provisions of this Lease to be observed or performed by the Postal Service, other than the payment of sums due hereunder, where such failure shall continue for a period of 30 days after written notice thereof from Landlord to the Postal Service; provided, however, that if the nature of the Postal Service's default is such that more than 30 days are reasonably required for its cure, then the Postal Service shall not be deemed to be in default if the Postal Service commences such cure within such 30 day period and thereafter diligently pursues such cure to completion.

b. **Default by Landlord; Remedies.** The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Landlord: (i) Landlord's failure to observe or perform any of the provisions of this Lease required to be observed or performed by Landlord, where such failure is not cured to the full satisfaction of the Postal Service within 30 days after written notice by the Postal Service to Landlord of said failure; provided, however, that if the nature of Landlord's default does not have a materially adverse impact upon the Postal Service's operations in the Premises (as reasonably determined by the Postal Service) and is such that more than 30 days are reasonably required for its cure, then Landlord shall not be deemed to be in default if Landlord commences such cure within such 30 days, thereafter diligently pursues such cure to completion, and completes such cure not later than 60 days from the date of the Postal Service's initial written notice to Landlord; or (ii) if any representation or warranty made by Landlord was false in any material respect when given or deemed given hereunder. In the event of a default by Landlord, the Postal Service, at its option, without further notice or demand, shall have the right to any one or more of the following remedies in addition to all other rights and remedies provided at law or in equity or elsewhere herein: (a) to remedy such default or breach and deduct the costs thereof from the Rent next falling due; (b) to proportionately abate the Rent for any period the Premises, or any part thereof, are reasonably determined by the Postal Service to have been rendered untenable, or unfit for use and occupancy, by reason of such default or breach; (c) to seek money damages for loss arising from Landlord's failure to discharge its obligations under the Lease; provided, however, that the Postal Service shall not seek or demand any consequential, punitive or special damages arising from Landlord's default; and (d) to terminate the Lease. Nothing herein contained shall relieve Landlord from its obligations hereunder, nor shall this Section be construed to obligate the Postal Service to perform Landlord's repair obligations under this Lease. The notice and cure provisions in this Paragraph (b) are for general defaults by Landlord not otherwise expressly addressed in other sections of this Lease, and therefore, to the extent of any conflict between the provisions of other sections of this Lease and this Paragraph (b), the provisions of other sections of this Lease shall govern.

c. **Force Majeure.** In the event that either party shall be delayed or hindered in or prevented from the performance of any covenant, agreement, work, service, or other act required under this Lease to be performed by such party (a "Required Act"), and such delay or hindrance is due to causes entirely beyond its control such as riots, insurrections, martial law, civil commotion, war, acts or threats of terrorism, fire, flood, earthquake, delays by governmental authorities or other casualty or acts of God (a "Force Majeure Event"), then the performance of such Required Act shall be excused for the period of delay, and the time period for performance of the Required Act shall be extended by the same number of days in the period of delay. For purposes of this Lease, the financial inability of Landlord or the Postal Service to perform any Required Act, including (without limitation) failure to obtain adequate or other financing, shall not be deemed to constitute a Force Majeure Event. A Force Majeure Event shall not be deemed to commence sooner than 15 days before the date on which the party who asserts some right,



General Conditions to USPS Lease

Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

defense or remedy arising from or based upon such Force Majeure Event gives written notice thereof to the other party hereto. If abnormal adverse weather conditions are the basis for a claim for an extension of time due to a Force Majeure Event, the written notice shall be accompanied by data substantiating (i) that the weather conditions were abnormal for the time and could not have been reasonably anticipated and (ii) that the weather conditions complained of had a significant adverse effect on the performance of a Required Act. To establish the extent of any delay to the performance of a Required Act due to abnormal adverse weather, a comparison will be made of the weather for the time of performance of the Required Act with the average of the preceding ten (10) years climatic range based on the National Weather Service statistics for the nearest weather reporting station to the Premises. No extension of time for or excuse for a delay in the performance of a Required Act will be granted for rain, snow, wind, cold temperatures, flood or other natural phenomena of normal intensity for the locality where the Premises are located.

9. CLAIMS AND DISPUTES

a. This Lease shall be governed by federal law, including but not limited to, the Contract Disputes Act of 1978 (41 U.S.C. 7101-7109) (the "Act").

b. Except as provided in the Act, all disputes arising under or relating to this Lease must be resolved under this clause.

c. "Claim," as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this Lease. However, a written demand or written assertion by the Landlord seeking the payment of money exceeding \$100,000 is not a claim under the Act until certified as required by subparagraph d below. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim under the Act. The submission may be converted to a claim under the Act by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.

d. A claim by the Landlord must be made in writing and submitted to the Postal Service Contracting Officer for a written decision. A claim by the Postal Service against the Landlord is subject to a written decision by the Postal Service Contracting Officer. For Landlord claims exceeding \$100,000, the Landlord must submit with the claim the following certification:

"I certify that the claim is made in good faith, that the supporting data are accurate and complete to the best of my knowledge and belief, that the amount requested accurately reflects the contract adjustment for which the Landlord believes the Postal Service is liable, and that I am duly authorized to certify the claim on behalf of the Landlord."

The certification may be executed by any person duly authorized to bind the Landlord with respect to the claim.

e. For Landlord claims of \$100,000 or less, the Postal Service Contracting Officer must, if requested in writing by the Landlord, render a decision within 60 days of the request. For Landlord-certified claims over \$100,000, the Postal Service Contracting Officer must, within 60 days, decide the claim or notify the Landlord of the date by which the decision will be made.

f. The Postal Service Contracting Officer's decision is final unless the Landlord appeals or files a suit as provided in the Act.



General Conditions to USPS Lease

Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

g. When a claim is submitted by or against a Landlord, the parties by mutual consent may agree to use an alternative dispute resolution (ADR) process to assist in resolving the claim. A certification as described in subparagraph d of this clause must be provided for any claim, regardless of dollar amount, before ADR is used.

h. The Postal Service will pay interest on the amount found due and unpaid from:

1. the date the Postal Service Contracting Officer receives the claim (properly certified if required); or
2. the date payment otherwise would be due, if that date is later, until the date of payment.

i. Simple interest on claims will be paid at a rate determined in accordance with the Act.

j. Landlord must proceed diligently with performance of this Lease, pending final resolution of any request for relief, claim, appeal, or action arising under this Lease, and comply with any decision of the Postal Service Contracting Officer.

k. In the event of an alleged Postal Service default where the Postal Service has vacated the Premises, Landlord shall in all events have an affirmative obligation to obtain another tenant for the Premises at a fair market rental and to otherwise mitigate its damages. In no event shall the Postal Service or Landlord be liable for any consequential, punitive, or special damages under this Lease. The parties agree that this restriction shall not apply to liquidated damages, if any, provided for in any workletter or other rider or attachment to this Lease.

10. GENERAL

a. **Quiet Enjoyment.** Without limiting any rights the Postal Service may have by statute or common law, Landlord covenants and agrees that, provided that the Postal Service is not in default under this Lease, and for so long as this Lease is in full force and effect, the Postal Service shall lawfully and quietly hold, occupy and enjoy the Premises during the term of this Lease from and after Landlord's delivery of the Premises to the Postal Service until the end of the term, without disturbance by Landlord or by any person having title paramount to Landlord's title or by any person claiming by, through or under Landlord.

b. **Exterior of Building.** Landlord shall not place, or allow any other person or entity to place, any advertising, bas reliefs, murals or other decorations on the exterior walls of the area in which the Premises is located nor shall Landlord place, or allow any other person or entity to place any additional landscaping or plantings in such area in excess of that landscaping or planting in existence at the commencement of this Lease. Nothing stated herein is intended to prohibit Landlord from replacing the landscaping or plantings in existence at the commencement of this Lease as needed.

c. **Recording.** Not Applicable

d. **Subordination, Non-Disturbance and Attornment Agreement.** Not Applicable

e. **Severability.** The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

f. **Interpretation.** Section headings are not a part hereof and shall not be used to interpret the meaning of this Lease. This Lease shall be interpreted in accordance with the fair meaning of its words and both parties certify they either have been or have had the opportunity to be represented by their own counsel and that they are familiar with



General Conditions to USPS Lease

Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

the provisions of this Lease, which provisions have been fully negotiated, and agree that the provisions hereof are not to be construed either for or against either party as the drafting party.

g. Incorporation of Prior Agreements; Amendments. This Lease contains all agreements of the parties as of the date hereof with respect to any matter mentioned herein. No prior agreement, correspondence or understanding pertaining to any such matter shall be effective to interpret or modify the terms hereof. This Lease may be modified only in writing, signed by the parties in interest, at the time of the modification. Landlord specifically acknowledges that the Postal Service's employees at the Premises do not have authority to modify the Lease or to waive the Postal Service's rights hereunder.

h. Waivers. No waiver by the Postal Service or Landlord of any provision hereof shall be deemed a waiver of any other provision hereof and no waiver of any breach hereunder by Postal Service or Landlord shall be deemed a waiver of any subsequent breach by the Postal Service or Landlord of the same or any other provision. A party's consent to or approval of any act shall not be deemed to render unnecessary obtaining such party's consent to or approval of any subsequent act. No waiver shall be effective unless it is in writing, executed on behalf of Landlord or the Postal Service by the person to whom notices are to be addressed.

i. Holding Over. If the Postal Service remains in possession of the Premises or any part thereof after the expiration of the term, with or without the written consent of Landlord, such occupancy shall be on all the terms of this Lease with the exception that the Postal Service will continue to pay either the last rental rate in effect prior to the expiration or termination of the Lease or the fair market value (as determined by the Postal Service in its sole, but reasonable, discretion) of the leasehold, whichever is higher. If the parties agree to and execute a new lease or a lease extension, the rent paid during the holdover period will be adjusted to reflect the rate negotiated by the parties for the new lease or lease extension, and the difference, if any, will be paid to Landlord along with the new rent for the new lease or lease extension, or credited to the Postal Service, if applicable. The Postal Service may terminate the Lease during the holdover period upon 60 days' prior written notice to Landlord without any liability hereunder to Landlord. Failure by the Postal Service to deliver keys to the Premises to Landlord or to remove its personal property therefrom at the end of the Lease term shall not be construed as an act of holdover by the Postal Service.

j. Successors and Assigns. Subject to the provisions of this Lease, this Lease shall be binding upon and benefit the parties, their personal representatives, successors and assigns.

k. Landlord's Access. Landlord and Landlord's agents shall have the right to enter the Premises upon reasonable prior written notice for the purpose of performing maintenance or repairs that are the responsibility of Landlord under this Lease. The Landlord's right of entry hereunder shall be exercisable only during normal business hours and only on the terms set forth below. All other access to the Premises, including but not limited to showing the property to potential buyers, and within 30 days of the end of the Lease term, showing the property to potential tenants, shall be at the sole discretion of the Postal Service. In the event of emergency requiring access after-hours, Landlord must call the Postal Inspection Service at 1-877-876-2455 Option 2 "Emergency" prior to entry. When entering or performing any repair or other work in the Premises, Landlord, its agents, employees and/or contractors (i) shall identify themselves to the Postal Service's personnel immediately upon entering the Premises, and must be accompanied by a Postal Service employee when not in public areas; and (ii) shall use commercially reasonable, good faith efforts not to materially or unreasonably affect, interrupt or interfere with the Postal Service's use, business or operations on the Premises or obstruct the visibility of or access to the Premises. In the event of substantial, material or unreasonable interference, the Rent and other payments and reimbursements due or to become due under this Lease all shall be equitably abated if the interference continues for more than 24 hours. In the event such interference shall continue for longer than 6 months, the Postal Service shall have the option to terminate this Lease or continue to operate with rent abatement until the interruption



General Conditions to USPS Lease

Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

ceases. Notwithstanding the foregoing, in the event that, as a result of any substantial, material or unreasonable interference, the Postal Service is legally required to move any of its business operations, then Landlord shall reimburse the Postal Service for the actual reasonable costs incurred in connection with such move.

l. Calendar Days. All references herein to "days" shall mean calendar days unless specified to the contrary.

m. Counterparts. This Lease may be executed in counterparts, which together shall constitute a single instrument. The parties agree that if the signature(s) of either Landlord or the Postal Service on this Lease or any amendments, addendums, assignments, or other records associated with this Lease is not an original but is a digitally encrypted signature, then such digitally encrypted signature shall be as enforceable, valid and binding as, and the legal equivalent to, an authentic original wet signature penned manually by its signatory.

n. Notices. Whenever a provision is made under this Lease for any demand, notice or declaration of any kind, or where it is deemed desirable or necessary by either party to give or serve any such notice, demand or declaration to the other party, it shall be in writing and sent by (i) United States mail, certified, postage prepaid or (iii) by Priority Mail Express (overnight), in each instance to the addresses set forth below or at such address as either party may advise the other from time to time. Notices to the Postal Service shall also include the identification of the facility name and location in such notices. Notices given hereunder shall be deemed to have been given three (3) days after the date of certified mailing or the next business day after being sent by Priority Mail Express (regardless whether the addressee rejects, refuses to sign, or fails to pick up such delivery).

To Landlord at: BERNARD BJORK
36293 BARTOLDUS LOOP, ASTORIA, OR 97103-8510

With a copy to: _____

To the Postal Service at: Contracting Officer
7500 E 53RD PL RM 1108, DENVER, CO 80266-9918

With a copy to: Postmaster/Installation Head
99 N MAIN ST, WARRENTON, OR 97146-9333

Anything in the foregoing to the contrary notwithstanding, in the case of multiple persons or entities comprising Landlord under this Lease or in the case of a person or entity acting as an agent of Landlord, notices to any one of such multiple persons or entities or notice to an agent of Landlord shall be deemed to be sufficient notice to Landlord

o. Prompt Payment Act. The provisions of the Prompt Payment Act, 31 U.S.C. § 3901 shall apply to all Postal Service payment obligations under this Lease, including any interest or penalties for late payments.



General Conditions to USPS Lease

Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

p. **Payment Offsets.** As required by 31 U.S.C. 3716, the Postal Service participates in the Treasury Offset Program of the Department of Treasury's Financial Management Service. Payments owed to Landlord from the Postal Service under this Lease are subject to offset in whole or in part to for the Landlord's delinquent tax and non-tax debts owed to the United States and the states and for delinquent child support payments.

q. **Real Estate Conflict of Interest Certification.** As condition to the effectiveness of this Lease, Landlord shall complete and return the "Real Estate Conflict of Interest" form attached to this Lease at the time of Landlord's execution and delivery of this Lease. If Landlord's certification in such form is false, or Landlord breaches the certification and fails to notify the Postal Service Contracting Officer as provided therein, then the Postal Service may (i) withhold rent and all other payments and reimbursements until Landlord remedies the misrepresentation or the Postal Service waives such conflict of interest, (ii) terminate the Lease on a date set forth in the notice to Landlord without penalty, or (iii) exercise any other remedy it may have for damages or injunctive relief. The Postal Service may exercise any or all of the foregoing remedies.

11. FACILITIES NONDISCRIMINATION

a. By executing this Lease, the Landlord certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform services at any location under its control where segregated facilities are maintained.

b. The Landlord will insert this clause in all contracts or purchase orders under this Lease unless exempted by Secretary of Labor rules, regulations, or orders issued under Executive Order 11246.

12. CLAUSES REQUIRED TO IMPLEMENT POLICIES, STATUTES, OR EXECUTIVE ORDERS

The following clauses are incorporated in this Lease by reference. The text of incorporated terms may be found in the Postal Service's Supplying Principles and Practices, accessible at <http://about.usps.com/manuals/spp/html/spp10.htm> or by searching www.usps.com.

Clause 1-5, Gratuities or Gifts (March 2006)

Clause 1-6, Contingent Fees (March 2006)

Clause 9-3, Davis-Bacon Act (March 2006)¹

Clause 9-7, Equal Opportunity (March 2006)²

Clause 9-13, Affirmative Action for Handicapped Workers (March 2006)³

Clause 9-14, Affirmative Action for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (February 2010)⁴

Clause B-25, Advertising of Contract Awards (February 2013)

Note: For purposes of applying the above standard clauses to this Lease, the terms "supplier," "contractor," and "lessor" are synonymous with "Landlord," and the term "contract" is synonymous with "Lease."

¹ For premises with net interior space in excess of 6,500 SF.

² For leases aggregating payments of \$10,000 or more.



General Conditions to USPS Lease

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- ³ For leases aggregating payments of \$10,000 or more.
- ⁴ For leases aggregating payments of \$25,000 or more.



Maintenance Rider USPS Responsibility (Partial)

Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

1. The Postal Service shall maintain the Premises (including repair and replacement of items, if necessary) except for those items specifically made the responsibility of Landlord in Paragraph 3 below. The responsibility of the Postal Service as stated herein will be fulfilled at such time and in such manner as the Postal Service reasonably considers necessary to keep the Premises in proper condition during the Lease term.
2. The term "Premises" as used in this rider includes the Premises described in the Lease, the improvements and appurtenances to such Premises exclusively used by the Postal Service (including parking lots, driveways, sidewalks, and fencing), and all equipment and fixtures furnished, or to be furnished, by Landlord under this Lease.
3. Landlord is responsible for maintenance of, repairs to, and, if necessary, replacement of:
 - a. All structural elements, exterior or interior wherever located on the Property, including but not limited to: the foundation; column supports; bearing walls; retaining walls; fencing, gates, paths, bridges, floors (but not including floor covering), and similar structural elements or features.
 - b. All lighting systems, including all components thereof, such as, by way of example and not in limitation, ballasts, poles, and light fixture covers (but not light bulbs).
 - c. All parts of the roof system including, but not limited to: the roof covering; flashing and insulation (including around any roof-top equipment); roof beams, joists, and deck; soffit and fascia; and gutters and downspouts. Landlord shall be responsible for the timely removal of snow and ice from the roof. Landlord will also be responsible for regular cleaning of all gutters, downspouts, troughs, scuppers, roof drains, etc.
 - d. Inspection, prevention and eradication of termites and other wood-eating insects and any damage resulting therefrom.
 - e. Defects in building construction or installation of equipment, fixtures, or appurtenances furnished by Landlord.
 - f. Damage from Acts of God; acts of public enemy, riot or insurrection; and vandalism, and damages resulting from fire or other casualties.
 - g. Any necessary replacement of any part or all of the well and septic systems, including lateral fields. If replacement of either system becomes necessary as a result of the failure of that system, Landlord remains responsible for providing an operating well system and septic system. Landlord is also responsible for any inspections of these systems required by governing bodies. Landlord is responsible for the permitting and routine maintenance of the well system and septic system, including any necessary pumping and cleaning of the septic system. While all or any part of such well or septic system is not functioning, Landlord shall provide, at Landlord's sole cost, risk and expense, potable water and sanitary facilities at the Premises and shall maintain the same in good working order until the well and septic system are functioning as required by the Postal Service.
 - h. All utilities, including all systems and structures and the components thereof which deliver such utility services to the Premises, including but not limited to base building plumbing, pipes, conduit, wiring, and related components located within the facility including, without limitation, behind walls, under floors and inside ceilings. This excludes additional systems and/or structures that were specifically installed by the Postal Service or its contractors for the Postal Service's particular furniture, fixtures, and equipment (FF&E) needs.
 - i. Inspection and remediation of standing water (interior and exterior).
 - j. Any retention ponds.
 - k. Any sink holes and any damage resulting therefrom.
 - l. All site related issues at the exterior of the Property, including but not limited to, damage caused by trees,



Maintenance Rider USPS Responsibility (Partial)

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WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

overhanging branches, and roots (whether such items cause damage either on or off the Property) (but not including general landscaping).

Except to the extent that any maintenance, repairs or replacement of the above was required as a direct result of the negligence of the Postal Service, in which event a portion of the costs of such maintenance, repairs or replacement directly attributable to the negligence of the Postal Service shall be paid by the Postal Service.

4. Whenever the Landlord's obligation for maintenance, repair, or replacement arises under this Lease, Landlord shall make all repairs promptly but in any event within the time period provided in the Postal Service's notice to Landlord and submit photographs of the completed repair to the Postal Service at the address designated in such notice provided by the Postal Service. If Landlord fails to make such repairs within the time period set forth in the Postal Service's notice to Landlord (except when the repairs require more time than as provided in the Postal Service's notice to Landlord and Landlord proposes another time period for completion acceptable to the Postal Service), the Postal Service may (i) perform the maintenance, repair, or replacement (by contract or otherwise) and recover the cost plus any administrative cost and/or interest, from the Landlord and from Rent and other payments and reimbursements due or to become due to Landlord, or (ii) terminate the Lease on a date specified by the Postal Service in the notice to Landlord. Notwithstanding the foregoing, in the event of an emergency (as reasonably determined by the Postal Service), the Postal Service may give Landlord such shorter notice as is practicable under the circumstances, and if Landlord fails to make such repairs immediately, the Postal Service may immediately perform the maintenance, repair, or replacement (by contract or otherwise) and recover the cost plus any administrative cost and/or interest, from the Landlord and from Rent and other payments and reimbursements due or to become due to Landlord. The Postal Service may abate Rent and all other payments due or to become due under this Lease for any period the Postal Service reasonably determines all or any portion of the Premises, any common areas of the Property providing access to the Premises, or parking areas are untenantable or unfit for the Postal Service's use. The remedies provided in this section are non-exclusive and are in addition to any remedies available to the Postal Service under applicable law.

5. In performing the maintenance, repair and/or replacement obligations under this Lease, Landlord must:

- a. comply with applicable Occupational Safety and Health Standards, title 29 Code of Federal Regulations (CFR) (including but not limited to Parts 1910 and 1926), promulgated pursuant to the authority of the Occupational Safety and Health Act of 1970 (OSHA);
- b. comply with any other applicable federal, state, or local regulation governing workplace safety to the extent they are not in conflict with section (a) above; and
- c. take all other proper precautions to protect the health and safety of:
 - (1) any laborer or mechanic employed by the Landlord in performance of this Lease;
 - (2) Postal Service employees; and
 - (3) the public.

Landlord must include this clause in all contracts hereunder and require its inclusion in all subcontracts of a lower tier. The term "Landlord" as used in this clause in any contract must be deemed to refer to the contractor.



Tax Rider Reimbursement of Paid Taxes

Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

Assessor's Parcel Number: 30268

a. Definitions

Ad Valorem means according to the value of the property.

Property Tax Rate is an amount expressed as dollars and cents per \$100.00 or per \$1,000.00 of assessed value or as mills per \$1.00 of assessed value as set by authorities for tax jurisdictions, which is applied to the value of the land, improvements on the land, or both, to determine some kinds of Real Property Taxes.

Real Property Taxes, as used in this clause, shall mean those taxes, including Ad Valorem taxes, special assessments, fees and charges, that are assessed against any or all taxable real property appearing on the assessment roll or list in a taxing authority's jurisdiction and that are identified by a taxing authority for the support of government activities within its jurisdiction, whether such activities are general or specifically identified. Real Property Taxes also include administrative charges or fees imposed by a taxing authority, including those for the support of its assessment and collection activities and any future taxes or charges imposed upon Landlord or assessed against the Property which are in the nature of or in substitution for real estate taxes, including any tax levied on or measured by rents payable.

b. Landlord agrees to pay all taxes of any kind, including Real Property Taxes, and fees of every kind and nature levied on the Premises.

c. The Postal Service will reimburse Landlord 100% ("Tenant's Share") of the total paid Real Property Taxes in accordance with this Tax Rider.

1. Landlord may submit not more than one request for reimbursement in any calendar year, irrespective of the number of taxing authorities included; and reimbursement will be made **not more than one time annually by the Postal Service.**
2. No reimbursement will be made for fines, penalties, interest or costs imposed for late payment.
3. Reimbursement will be made only for net paid taxes, less Tenant's Share of the maximum discount allowed by the taxing authority for prompt or early payment, regardless of whether Landlord actually received any such discount.
4. Reimbursement will be made only for taxes levied for periods of time within the term of this Lease in accordance with the provisions of this Lease.
5. In order to qualify for reimbursement, the tax bill as issued by the taxing authority must include the Premises.
6. **Landlord must provide copies of the front and back of the complete tax bill issued by the taxing authority, along with satisfactory proof of payment. Satisfactory proof of payment shall be (i) a receipt for payment shown on the face of the tax bill, (ii) a copy of the front and back of the canceled payment check, (iii) a statement from a lender verifying payment of the tax, or (iv) other documentation reasonably satisfactory to the Postal Service.**
7. Incomplete or improper requests for reimbursement will be returned to Landlord without payment.
8. Landlord must include the city, state, and the Postal Service facility ID # as set forth in the header on this Lease on the request for reimbursement.
9. **Landlord agrees to submit a request for reimbursement of taxes within 18 months after the date of payment by Landlord. In the event Landlord fails to submit its request for reimbursement within that time period, the Postal Service is not required to reimburse paid taxes.**



Tax Rider Reimbursement of Paid Taxes

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WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

d. The Landlord must promptly furnish to the Postal Service copies of all notices that may affect the valuation of the Premises for Real Property Tax purposes or that may affect the levy or assessment of Real Property Taxes thereon. If Landlord does not timely furnish such notices relating to valuation changes or the levy or assessment of taxes or fails after being requested in writing by the Postal Service to meet any legal prerequisite for appeal, and as a result the Postal Service loses the ability to exercise its right, as stated in e. below, to contest the validity or the amount of the taxes, then the Postal Service shall be responsible to reimburse Landlord for only 75% of Tenant's Share of the reimbursable taxes due for the year involved. All notices required under this paragraph must be delivered within 10 days from the receipt thereof by Landlord in accordance with the delivery methods of Section 10(n) of the General Conditions to USPS Lease but to the following address:

Contracting Officer
P.O. Box 5527
Denver, CO 80217-5527

e. The Postal Service may contest the validity of any valuation for Real Property Tax purposes or of any levy or assessment of any Real Property Taxes by appropriate proceedings either in the name of the Postal Service or of the Landlord or in the names of both. Notwithstanding any contest of valuation, Property Tax Rate, levy or assessment, Landlord must pay under protest the Real Property Taxes involved when requested to do so by the Postal Service. The Landlord, upon reasonable notice and request by the Postal Service, must join in any proceedings, must cooperate with the Postal Service, and must execute and file any documents or pleadings as the Postal Service may require for such proceeding, provided the Landlord is reasonably satisfied that the facts and data contained therein are accurate. Landlord will not be responsible for the payment of expenses, penalties, costs, and legal expenses in connection with any protest or appeal proceedings brought by the Postal Service, and the Postal Service will reimburse the Landlord for any such expenses, penalties, costs, and legal expenses actually and reasonably paid by Landlord. Landlord hereby authorizes the Postal Service as its agent to represent its interest in any appeal or protest proceeding authorized under this paragraph.

f. Landlord shall promptly notify the Postal Service of any appeal or other action it takes or initiates to adjust any valuation of the property, Property Tax Rate, or levy or assessment of Real Property Taxes. The Postal Service will not be responsible for the payment of expenses, penalties, costs, and legal expenses in connection with any protest or appeal proceedings brought by Landlord, but shall be entitled to Tenant's Share of any and all monies obtained through such actions or any other refunds or remissions of Real Property Taxes paid in any year subsequent to the commencement of the Lease. If any such refunded or remitted monies are paid or delivered to Landlord, Landlord must immediately forward Tenant's Share to the Postal Service. If Landlord is informed that he is entitled to a refund or remission of monies paid as Real Property Taxes upon the submission of an application, Landlord will promptly make and file such application, and upon receipt of such refund or remission, immediately forward it to the Postal Service. The Postal Service reserves the right to offset Tenant's Share of refund and remission payments not so obtained or forwarded, against Rent or other payments due the Landlord.

g. The Postal Service is entitled to the benefits of all tax exemptions or abatements authorized by law or regulation that may be available with respect to the Premises. Landlord shall take all necessary steps to obtain such exemptions or abatements. The Postal Service reserves the right to offset against Rent or other payments due the Landlord the amount or value of any abatement or exemption that would have been available if Landlord had properly applied for it, and any amount for which the Postal Service is not to be responsible under paragraph (d), above.

h. Nothing herein contained shall operate to waive or deprive the Postal Service of any rights, privileges or immunities it enjoys under law.



Tax Rider Reimbursement of Paid Taxes

Facility Name/Location
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99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

i. In the event that the site is enlarged or decreased, or the Building is altered in any way that may affect the assessment value of the total Property, the percentage shown in paragraph c. above, shall be recomputed to reflect the correct proportion of the value of the Premises to the relative value of the total Property.



Utilities, Service, & Equipment Rider

Facility Name/Location
WARRENTON - MAIN OFFICE (408944-001)
99 N MAIN ST, WARRENTON OR 97146-9333

County: CLATSOP
Lease: QG0000510256

1. HEAT

Landlord must furnish and maintain a heating system in accordance with the Maintenance Rider. The Postal Service pays all recurring fuel charges, provided such charges are separately metered, at Landlord's expense, for the Postal Service's consumption.

2. AIR CONDITIONING

Not Applicable

3. ELECTRICITY

Landlord must furnish and maintain an electrical system in accordance with the Maintenance Rider. The Postal Service will pay all recurring electric bills, provided such charges are separately metered, at Landlord's expense, for the Postal Service's consumption.

4. LIGHT

Landlord must provide light fixtures in good working order and maintain, repair and replace the same to ensure that the light fixtures remain in good working order throughout the Lease term. Landlord is not responsible for replacement of light bulbs.

5. WATER

Landlord must furnish and maintain at all times throughout the Lease term a potable water system in good working order, in accordance with the Maintenance Rider. The Postal Service pays for all recurring water charges, provided such charges are separately metered, at Landlord's expense, for the Postal Service's consumption.

6. SEWER

Landlord must furnish and maintain at all times throughout the Lease term a sewer system in good working order, in accordance with the Maintenance Rider. The Postal Service pays for all recurring sewer charges, provided such charges are separately metered, at Landlord's expense, for the Postal Service's use.

7. TRASH

The Postal Service agrees to furnish trash receptacles and pay for all trash removal for the Premises.

8. SNOW

Landlord agrees to furnish and pay for the timely (but in no event later than as required by local law) removal of snow and ice from the roof and the sidewalks, driveway, parking and maneuvering areas, and any other areas providing access to the Premises for use by the Postal Service's employees, contractors, or the public (including, but not limited to, stairs, handicap access ramps, carrier ramps, etc.).

9. CUSTODIAL SERVICES

The Postal Service agrees to furnish and pay for all custodial services for the Premises.



Utilities, Service, & Equipment Rider

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