

LEASE

This Lease, made and entered into in Salem, Oregon, this ~~28<sup>th</sup>~~ day of **January, 2025** by and between

LANDLORD: **Robert N. Magid & The Modish Corporation**  
and TENANT: **City of Salem-Courts and Customer Service**

**Landlord hereby leases to Tenant the following:**

Approx. 15,171 sq. ft. suite  
(the Premises) in the **Broadway Capital Building**  
(the Building) at **2850 Broadway St. NE, Suite 100, Salem, OR**  
for a term commencing, **June 1, 2025**  
and continuing through **November 30, 2026**. at a Base Rent of **\$2.20 per sq. ft. (U.S.) per month** payable in advance on the 1<sup>st</sup> day of each month.

**Landlord and Tenant covenant and agree as follows:**

**1.1 Delivery of Possession**

Tenant shall be considered to be in possession of the Premises on June 1, 2025 with early access to be provided for set-up and approved Tenant Improvements.

**2.1 Rent Payment**

Tenant shall pay the Base Rent for the Premises and any additional rent provided herein without deduction or offset. Rent for any partial calendar month during the lease term shall be prorated to reflect the number of days during the month that Tenant occupies the Premises. Rent not paid when due shall bear interest at the rate of one-and-one-half percent per month until paid. Rent payments not received within 10 days of the due date may incur a late charge, but a grace period of 5 days will be provided before the application of such charges in lieu of interest for the first month of delinquency, without waiving any other remedies available for default.

**3.1 Lease Consideration**

Upon execution of the lease, Tenant has paid the sum of \$30,000.00 as lease consideration. Landlord may apply the lease consideration to pay the cost of performing any obligation which Tenant fails to perform within the time required by this lease, but such application by Landlord shall not be the exclusive remedy for Tenant's default. If the lease consideration is applied by Landlord, Tenant shall on demand pay the sum necessary to replenish the lease consideration to its original amount. To the extent not applied by landlord to cure defaults by Tenant or to repair damage caused by Tenant, the lease consideration shall be refunded within ten (10) business days after the conclusion of the lease term or any extensions thereof.

**4.1 Use**

Tenant shall use the Premises as office for Tenant's operations and for two courtrooms, and for no other purpose without Landlord's written consent which shall not be unreasonably withheld. In connection with its use Tenant shall at its expense promptly comply with all applicable laws, ordinances, rules and regulations of any public authority and shall not annoy, obstruct, or interfere with the rights of other tenants of the Building.

**4.2 Parking**

It is acknowledged that customer and employee parking at the Property shall be shared and in common with the other tenants and customers in the Property. If requested, employee parking shall be in a designated area as determined by Landlord, if necessary.

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Landlord

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Tenant



**5.1 Utilities and Services**

Landlord will furnish heat, electricity, air conditioning, and water to the Premises and the Building during hours and on days that accommodate Tenant's operating schedule. Tenant shall provide for its own janitorial and trash services, and shall comply with all government laws or regulations regarding the use or reduction of use of utilities on the Premises. Interruption of services or utilities shall not be deemed an eviction or disturbance of Tenant's use and possession of the Premises, render Landlord liable to Tenant for damages, or relieve Tenant from performance of Tenant's obligations under this lease, but Landlord shall take all reasonable steps to correct any interruptions in service. In the event of a utility interruption lasting more than 48 hours, Tenant shall be entitled to a rent reduction proportional to the duration and impact of the service disruption.

**6.1 Maintenance and Repair**

Landlord shall be responsible for maintenance and repair of the exterior of the Building including its roof and parking lot and landscaped areas. Tenant shall be responsible for maintenance of the interior of the Premises and for interior glass maintenance and repair. Landlord shall be responsible for all HVAC maintenance and repair costs and shall verify that all HVAC units, plumbing, and electrical serving the Premises are in good working order at lease commencement. Landlord shall have no liability for failure to perform required maintenance and repair unless written notice of the needed maintenance or repair is given by Tenant and Landlord fails to commence efforts to remedy the problem in a reasonable time and manner. Tenant shall have no claim against Landlord for any interruption or reduction of services or interference with Tenant's occupancy except to the extent caused by the negligence or willful misconduct of Landlord or its agents, and no such interruption or reduction shall be construed as a constructive or other eviction of Tenant. Repair of damage caused by negligent or intentional acts or breach of this lease by Tenant, its employees or invitees shall be at Tenant's expense, provided damage repair is not covered by Landlord's insurance. If Landlord's insurance does cover damage caused by Tenant, Tenant shall be responsible for the deductible under the policy. Tenant shall not be responsible for repairs related to structural defects, or normal wear and tear. Landlord is required to handle all necessary repairs in a timely manner.

**7.1 Indemnity**

Tenant shall not allow any liens to attach to the Building or Landlord's interest in the Premises as a result of its activities. Tenant shall indemnify and defend Landlord against any claim, liability, damage, or loss occurring on the Premises, arising from Tenant, its agents, or invitees actions or omissions, excluding those arising from the Landlord's negligence or acts of third parties. Landlord shall have no liability to Tenant because of loss or damage caused by the acts or omissions of other tenants of the Building, or by third parties.

**7.2 Insurance**

Tenant shall carry liability insurance with limits typical for the City of Salem, which insurance shall have an endorsement naming Landlord as an additional insured and covering the liability insured under paragraph 7.1 of this lease. Tenant shall furnish a certificate evidencing such insurance. Tenant shall insure Tenant's personal property in the Premises and shall hold Landlord harmless in the event of loss or damage due to any cause.

**8.1 Fire or Casualty**

"Major Damage" means damage by fire or other casualty to the Building or the Premises which causes the Premises or any substantial portion of the Building to be unusable, or which will cost more than 25 percent of the pre-damage value of the Building to repair, or which is not covered by insurance. In case of Major Damage, Landlord may elect to terminate this lease effective as of the date of the casualty, by notice in writing to Tenant within 30 days after such date. In case of Major Damage, if Landlord does not complete the restoration within 90 days, Tenant may elect to terminate the lease or seek compensation for lost use of the Premises. If this lease is not terminated following Major Damage, or if damage occurs which is not Major Damage, Landlord shall promptly restore the Premises to the condition existing just prior to the damage. Tenant shall promptly restore all damage to tenant improvements or alterations installed by Tenant or pay the cost of such restoration to Landlord if Landlord elects to do the restoration of such improvements. Rent shall be reduced from the date

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Landlord

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Tenant



of damage until the date restoration work being performed by Landlord is substantially complete, with the reduction to be in proportion to the area of the Premises not useable by Tenant.

## **8.2 Waiver of Subrogation**

Tenant shall be responsible for insuring its personal property and trade fixtures located on the Premises and any alterations or tenant improvements made to the Premises. Neither Landlord nor Tenant shall be liable to the other for any loss or damage caused by water damage, sprinkler leakage, or any of the risks that are or could be covered by a standard all risk insurance policy with an extended coverage endorsement, or for any business interruption, and there shall be no subrogated claim by one party's insurance carrier against the other party arising out of any such loss.

## **9.1 Eminent Domain**

If a condemning authority takes title by eminent domain or by agreement in lieu thereof to the entire Building or a portion sufficient to render the Premises unsuitable for Tenant's use, then either party may elect to terminate this lease effective on the date that possession is taken by the condemning authority. Rent shall be reduced for the remainder of the term in an amount proportionate to the reduction in area of the Premises caused by the taking. All condemnation proceeds shall be allocated between Landlord and Tenant as their interests appear, and Tenant shall have no claim against Landlord or the condemnation award because of the taking.

## **10.1 Assignment and Subletting**

This lease shall bind and inure to the benefit of the parties, their respective heirs, successors, and assigns, provided that Tenant shall not assign its interest under this lease or sublet all or any portion of the Premises without first obtaining Landlord's consent in writing. No assignment shall relieve Tenant of its obligation to pay rent or perform other obligations required by this lease, and no consent to one assignment or subletting shall be a consent to any further assignment or subletting. Landlord shall not unreasonably withhold its consent to any assignment or sublease provided the proposed assignee or subtenant is compatible with Landlord's normal standards for the Building. Tenant shall pay any costs incurred by Landlord in connection with a request for assignment or subletting, including reasonable attorneys' fees.

## **11.1 Default**

Any of the following shall constitute a default by Tenant under this lease:

(a) Tenant's failure to pay rent or any other charge under this lease within 10 days after it is due, or failure to comply with any other term or condition within 30 days following written notice from Landlord specifying the noncompliance. If such noncompliance cannot be cured within the 30-day period, this provision shall be satisfied if Tenant commences correction within such period and thereafter proceeds in good faith and with reasonable diligence to effect compliance as soon as possible. Time is of the essence of this lease.

(b) Assignment or subletting by Tenant in violation of paragraph 10.1.

(c) Vacating or abandonment of the Premises without the written consent of Landlord.

## **11.2 Remedies for Default**

In case of default as described in paragraph 11.1 Landlord shall have the right to the following remedies which are intended to be cumulative and in addition to any other remedies provided under applicable law:

(a) Landlord may terminate the lease and retake possession of the Premises.

Following such retaking of possession, efforts by Landlord to relet the Premises shall be sufficient if Landlord follows his usual procedures for finding tenants for the space at rates not less than the current rates for other comparable space in the Building. If Landlord has other vacant space in the Building, prospective tenants may be placed in such other space without prejudice to Landlord's claim to damages or loss of rentals from Tenant.

(b) Landlord may recover all damages caused by Tenant's default which shall include an amount equal to rentals lost because of the default, lease commissions paid for this lease amortized over the remaining lease term, and the unamortized cost of any tenant improvements installed by Landlord to meet Tenant's special requirements. Landlord may sue periodically to recover damages as they occur throughout the lease term, and no action for accrued damages shall bar a later action for damages subsequently accruing. Landlord may elect in any one action to recover accrued damages plus damages attributable to the

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Landlord

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Tenant



remaining term of the lease. Such damages shall be measured by the difference between the rent under this lease and the reasonable rental value of the Premises for the remainder of the term, discounted to the time of judgment at the prevailing interest rate on judgments.

- (c) Landlord may after ten (10) days written notice to Tenant (except that no notice shall be required in an emergency) make any payment or perform any obligation which Tenant has failed to perform in which case Landlord shall be entitled to recover from Tenant upon demand all amounts so expended, plus interest from the date of the expenditure at the rate of one-and-one-half percent per month. Any such payment or performance by Landlord shall not waive Tenant's default.

#### **12.1 Surrender**

On expiration or early termination of this lease Tenant shall deliver all keys to Landlord and surrender the Premises broom clean and in the same condition as at the commencement of the lease term subject only to reasonable wear from ordinary use. Tenant shall remove all of its furnishings and trade fixtures that remain its property and restore all damage resulting from such removal. Failure to remove shall be an abandonment of the property, and Landlord may dispose of it in any manner without liability. If Tenant fails to vacate the Premises when required, including failure to remove all personal property, Landlord may elect either: (I) to treat Tenant as a tenant from month to month, subject to the provisions of this lease except that rent shall be one-and-one-half times the total rent being charged when the lease term expired; or (II) to eject Tenant from the Premises and recover damages caused by wrongful holdover.

#### **13.1 Regulations**

Landlord shall have the right (but shall not be obligated) to make, revise and enforce regulations or polices consistent with this lease for the purpose of promoting safety, order, economy, cleanliness, and good service to all tenants of the Building. All such regulations and policies shall be provided to Tenant in writing and complied with as if part of this lease.

#### **14.1 Access**

Tenant shall have 24-hour access to the Premises. Except as provided for in Section 24.2, Landlord shall have the right to enter upon the Premises at any time by passkey or otherwise to perform necessary services, or to show the Premises to any prospective tenant or purchasers. Except in case of emergency such entry shall be with reasonable prior notice to Tenant and at such times and in such a manner as to minimize interference with the reasonable business use of the Premises by Tenant.

#### **15.1 Notices**

Notice between the parties relating to this lease shall be in writing, effective when delivered, or if mailed, effective on the second day following mailing, postage prepaid, to the address for the party stated in this lease or to such other address as either party may specify by notice to the other. Notice to Tenant may always be delivered to the Premises. Rent shall be payable to Landlord at the same address and in the same manner, but shall be considered paid only when received.

#### **16.1 Subordination**

This lease shall be subject and subordinate to any mortgages, deeds of trust, or land sale contracts (hereafter collectively referred to as encumbrances) now existing against the Building. At Landlord's option this lease shall be subject and subordinate to any future encumbrance hereafter placed against the Building (including the underlying land) or any modifications of existing encumbrances, and Tenant shall execute such documents as may reasonably be requested by Landlord or the holder of the encumbrance to evidence this subordination provided that the holder enters into an agreement with Tenant not to disturb Tenant's possession of the Premises so long as Tenant is not in default hereunder. In the event of a sale or transfer of the Building, Tenant's rights under this lease shall remain unaffected, and the new owner shall assume all obligations of the Landlord under this lease.

#### **16.2 Transfer of Building**

If the Building is sold or otherwise transferred by Landlord or any successor, Tenant shall, upon written notice thereof attorn to the purchaser or transferee and recognize it as the lessor under this lease, and, provided the purchaser assumes all obligations hereunder, the transferor shall have no further liability hereunder.

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Landlord

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Tenant



**16.3 Estoppels**

Either party will within 20 days after notice from the other execute, acknowledge and deliver to the other party a certificate certifying whether or not this lease has been modified and is in full force and effect; whether there are any modifications or alleged breaches by the other party; the dates to which rent has been paid in advance, and the amount of any security deposit or prepaid rent; and any other facts that may reasonably be requested. Failure to deliver the certificate within the specified time shall be conclusive upon the party of whom the certificate was requested that the lease is in full force and effect and has not been modified except as may be represented by the party requesting the certificate. If requested by the holder of any encumbrance, or any ground lessor, Tenant will agree to give such holder or lessor notice of and an opportunity to cure any default by Landlord under this lease.

**17.1 Attorney's Fees**

In any litigation or other dispute arising out of this lease, the prevailing party shall be entitled to recover attorneys' fees at trial and on any appeal.

**18.1 Quiet Enjoyment**

Landlord warrants that so long as Tenant complies with all terms of this lease it shall be entitled to peaceable and undisturbed possession of the Premises free from any eviction or disturbance by Landlord or persons claiming by or through Landlord. Landlord shall have no liability to Tenant for loss or damages arising out of the acts or other tenants of the Building or third parties, nor any liability for any reason which exceeds the value of its interest in the Building. Landlord guarantees that Tenant's right to quiet environment shall not be disturbed by any future actions, including any proposed construction, redevelopment, or disturbance caused by other tenants, unless required by law or for necessary repairs.

**19.1 Signs**

Tenant is authorized to display Tenant's name above the inside entry to the Premises, and shall be provided with 25% of the space available on the Building pole sign facing Broadway St. Cost of signage to be at Tenant's expense.

**20.1 Leasehold Improvements by Tenant**

Tenant, at Tenant's expense and with Landlord's approval, shall complete any updates to the Premises that it may deem to be required. Assuming that it will be required by the Fire Marshal, Tenant shall install a compliant emergency exit door at the east side of the Premises as shown in attached floor plan. Tenant shall also construct a wall where needed and as approved to separate the leased Premises from its northern unwanted section. Landlord shall not unreasonably withhold or delay approval of Tenant's proposed improvements, provided they comply with applicable laws and regulations.

**20.2 Voice/Data**

Tenant shall be responsible for installation and service of voice/data securing the Premises.

**21.1 Extension Options**

Tenant shall have the Option to extend the term of this lease for up to a six month period or monthly up to six times by giving Landlord notice in writing at least 60 days in advance of the desired extension period. Monthly rent for any extended period shall be at three percent (3.0%) above the monthly rental amount for the initial term.

**22.1 Taxes & Personal Property**

Landlord acknowledges that the Tenant qualifies for tax-exempt status and shall not impose any tax obligations on Tenant related to the lease term, except as required by law.

**22.2 Tax Exempt Status**

Tenant shall qualify with Marion County for tax exempt status for the term of the lease beginning July 1, 2025 (and extensions thereof,). The base rent provided for has been discounted to reflect the projected annual tax credit to the Building due to Tenant's tax exempt status.

**23.1 Brokers**

Landlord shall pay a commission to Coldwell Banker Commercial as its broker in connection with the execution of this Lease. Each party shall indemnify and defend the other party harmless from and against any claims for commissions or fees alleged to be owed by the indemnifying party in connection with the execution of this Lease.

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Landlord

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Tenant

**24.1  
Miscellaneous**

This lease is the only agreement between the parties pertaining to the lease of the Premises and no other agreement are effective. All amendments to this lease shall be in writing and signed by all parties. Any other attempted amendment shall be void. This lease may be executed in counterparts and when all counterpart documents are executed, the counterparts shall constitute a binding instrument.

**24.2 Access and  
Security**


Tenant shall have full control over security and access to sensitive areas within the leased space as depicted in Exhibit 1. Landlord or its agents may be allowed access with proper escort through sensitive areas.

**IN WITNESS WHEREOF, the duly authorized representatives of the parties have executed this lease as of the day and year first written above.**

**LANDLORD:**

Robert N. Magid & The Modish Corporation

Address for notices: PO Box 1004  
Lake Oswego, OR 97034

By:   
Name: Robert N. Magid  
Title: Owner/President

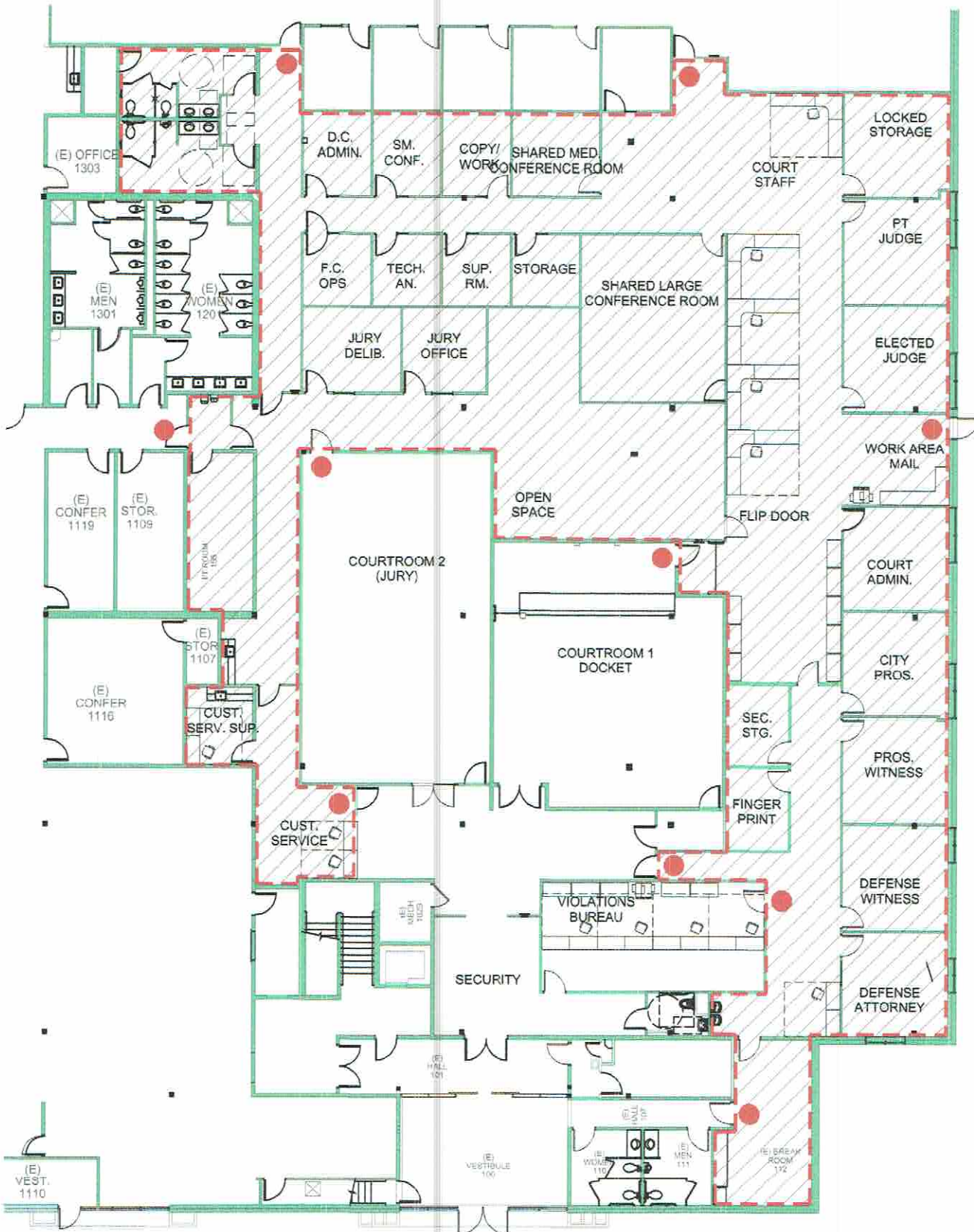
**TENANT:**

City of Salem

Address for notices: 2850 Broadway St. NE  
Salem, OR 97303

By: \_\_\_\_\_  
Name:  
Title:





 **SECURE ZONE**

 **SECURE ACCESS POINT**