

FIRST AMENDMENT

This is the First Amendment to that certain lease by and between THE CITY OF SALEM, an Oregon municipal corporation (“Lessor”) and 413 INDUSTRIES, LLC, an Oregon limited liability company (“Lessee”), dated April 18, 2014 (Lease). This First Amendment is effective on the date last signed by both parties below.

RECITALS:

Whereas, pursuant to the Lease, Lessor leased to Lessee, certain real property located at 360 Ferry Street NE, Suite A, Salem, Marion County, Oregon, as described in the Lease (the “Premises”); and

Whereas, Section 2 of the Lease provides that the Lease shall expire, if not renewed, on August 31, 2017; and

Whereas, Lessee and Lessor are in disagreement as to Lessee’s Right of First Refusal stated in Section 2(B) of the Lease, and Lessee desires to terminate the Lease and vacate the Premises on or before April 30, 2017; and

Whereas, Lessor and Lessee have agreed to modify the terms of the Lease to allow Lessee to terminate the Lease prior to the original termination date of August 31, 2017, in consideration for which the parties agree that Lessee shall forfeit its Security Deposit of \$1,000, and pay a termination fee of \$1,100 no later than May 31, 2017.

Now therefore, the Parties agree as follows:

A. Section 2 of the Lease shall be amended as follows.

2. **TERM:** The term of this Lease shall be ~~40~~ 36 months commencing on May 1, 2014 and continuing through ~~August 31, 2017~~ April 30, 2017. Lessee shall be entitled to possession immediately upon the commencement of Term or at such time as the Lessor improvements described in Section 35 are complete, whichever shall later occur. Upon vacating space no later than April 30, 2017, Lessee shall forfeit the Security Deposit of \$1,000 stated in Section 3(A) of the Lease and pay a termination fee of \$1,100 no later than May 31, 2017.

B. The parties agree that Lessee’s failure to vacate the Premises and turnover possession of the Premises on or before April 30, 2017, and pay the termination fee of \$1,100 no later than May 31, 2017, shall result in a default under Section 22 of the Lease, and Lessor shall be entitled to pursue any remedies under the Lease at law or equity.

C. Except as set forth in this First Amendment, the terms and conditions of the Lease shall remain unchanged.

[Type here]

IN WITNESS WHEREOF the parties have caused this First Amendment to be signed in their respective names by their duly authorized representatives as of the dates set forth below:

LESSOR:
City of Salem

LESSEE:
413 Industries, LLC

Steven D. Powers, City Manager

Ryan Savage

Date

Date