

AMENDATORY AGREEMENT

THIS AMENDATORY AGREEMENT is made and entered into this 24 day of April, 1981, by and between the CITY OF SALEM, OREGON, a municipal corporation, herein called Lessor and MALECO, a partnership of C. MARVIN AND/OR BLAINE MAY, herein called Lessee, for the purpose of amending the parties' agreement of October 8, 1980.

WHEREAS, the Lessor and Lessee have entered into an agreement for the lease of certain real property at McNary Field in Salem, Oregon; and

WHEREAS, the parties now desire to amend said lease to add a parcel of real property thereto, and to allow for the installation of a fuel dispensing facility upon said property; NOW, THEREFORE,

IN CONSIDERATION of the lease by Lessor to Lessee of certain real property as described herein, and in further consideration of the money to be paid by Lessee to Lessor and additional promises, the parties hereby agree to amend the agreement of October 8, 1980 as follows:

1. Page 2, first paragraph is amended to read:

AND, the Lessee, in consideration of the leasing of the premises as aforesaid by the Lessor to the Lessee, does covenant and agree with the Lessor, its successors and assigns, to pay the Lessor rent for said premises in the following manner, to-wit:

\$390.00 On or before the 1st day of November, 1980, and a like amount on or before the 1st day of each succeeding three month period until May 1, 1981, and \$398.10 on or before the 1st day of each succeeding three month period

through and including August 1, 2000, said rent being figured on the basis of \$.12 a square foot annually for 13,270 square feet provided, however, that the aforesaid rental rate shall be readjusted on November 1, 1983, and each succeeding three year period thereafter for the term of the lease. Rental rates at the end of each succeeding three year period will be established by the City Council based on the recommendation of the Airport Advisory Board.

2. Page 3 is amended by adding:

(15) Notwithstanding any other provision of this agreement, Lessee may maintain upon the premises an aviation fuel storage tank and dispensing equipment. The tank and all auxiliary equipment shall be installed, maintained, repaired, altered and used in full compliance with all local, state and federal laws and regulations applicable to said activities, including all applicable fire, building and safety codes.

(16) Lessee shall pay, in addition to other sums stated in this agreement, fuel flowage fees pursuant to SRC 9.128. Such fees shall be paid at such times and upon such conditions as are established by the Airport Superintendent.

3. The sketch and legal description attached hereto as Exhibit B and incorporated herein by this reference is hereby substituted for the sketch and legal description attached to the agreement of October 8, 1980 and referred to on page 1 of said agreement.

EXCEPT AS AMENDED by this amendatory agreement, the parties' agreement of October 8, 1980 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have signed this agreement as of the date shown above.

Approved by:

A. R. Hampton
Airport Superintendant

Approved as to form:

Jeanette M. Lauer
Assistant City Attorney

CITY OF SALEM, OREGON:

LESSOR:

By: [Signature]
Mayor

Attest: [Signature]
City Recorder

LESSEE: [Signature]
C. Marvin May

LESSEE: [Signature]
Blaine May

D A G R E E M E N T C

THIS AGREEMENT made and entered into in quadruplicate this 8
day of OCT, 1980, by and between:

CITY OF SALEM
a municipal corporation

hereinafter called the Lessor, which term shall include its successors
and assigns, and

Maleco - Partnership of C. Marvin and/or Blaine May
hereinafter called the Lessee, which term shall include their heirs and
assigns;

W I T N E S S E T H

WHEREAS, the City of Salem owns, maintains and operates an
airport known as McNary Field, and

WHEREAS, the Lessee desires to use a part of the airport, being
the part hereinafter particularly described, for the purpose of
maintaining thereon a building, said building to be used for the storage
of aircraft weighing 6,000 pounds or more. Storage of aircraft weighing
less than 6,000 pounds is prohibited unless authorized by the Airport
Superintendent based on the recommendation of the Airport Advisory
Board. The Lessor agrees to provide aircraft access taxiways to the
particular site for the term of the agreement. NOW, THEREFORE,

In consideration of the covenants and promises herein contained
to be kept and performed by the Lessee, the Lessor does hereby lease unto
the Lessee for the term hereinafter specified, that part of McNary Field
shown in red upon the drawing or sketch attached to this agreement and by
this reference made a part hereof.

TO HAVE AND TO HOLD the said premises unto the Lessee for a
period of twenty years from the 1st day of November, 1980, to and
including the 31st day of October, 2000, the Lessee paying rent thereof
as hereinafter stated.


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AND, the Lessee, in consideration of the leasing of the premises as aforesaid by the Lessor to the Lessee, does covenant and agree with the Lessor, its successors and assigns, to pay the Lessor rent for said premises in the following manner, to-wit:

\$390.00 On or before the 1st day of November, 1980, and a like amount on or before the 1st day of each succeeding three month period through and including August 1, 2000, said rent being figured on the basis of \$.12 a-square foot annually for 13,000 square feet provided, however, that the aforesaid rental rate shall be readjusted on November 1, 1983, and each succeeding three year period thereafter for the term of the lease. Rental rates at the end of each succeeding three year period will be established by the City Council based on the recommendation of the Airport Advisory Board.

This Lease is granted and is accepted by the Lessee on the following terms and conditions:

(1) That the Lessee shall use the said premises for the maintenance, use, and occupancy of an aircraft storage hangar thereon. Said hangar building is to be used exclusively for the storage and maintenance of aircraft and for no other purpose. The Lessee shall not engage in, cause, suffer, or permit any use of the said building other than those allowable under a Group F, Division 3 occupancy classification as provided in Table 5-A and section 1101 of the Uniform Building Code as adopted by SRC 56.010. Failure of Lessee to fully and strictly comply with this paragraph shall be deemed a material breach of this lease, and Lessor may terminate this lease as hereinafter provided.

(2) That the Lessee shall not sublease or rent hangar space in the above-described buildings to third parties without first obtaining the approval of Lessors. Such approval for subleasing of rental shall not be unreasonably withheld.

(3) That no machinery, equipment, or property of any kind shall be stored or kept outside of the buildings; and any wrecked, permanently disabled, or otherwise unsightly aircraft shall not be kept unless housed in the hangar space.

(4) That Lessee shall permit no aircraft at any time to be left standing or parked, even temporarily, upon any roadway or access road within said airport, and the Lessor shall have the right and privilege, at the expense of the Lessee, to remove from any public road or access road which approaches the airport or within the airport any such aircraft that Lessee or any of its tenants may leave standing or parked upon any such road or roadway.

(5) That the cost of providing lights, water service, and other utility service for the premises above-described or the buildings thereon, shall be met by the Lessee or its tenants, and the Lessor shall not be required to furnish any of such service.


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(6) Lessee agrees to observe and obey all the regulations and laws or any future changes in the regulations and laws of the following governmental bodies: Federal Aviation Agency and any other Federal agencies, the United States, the State of Oregon, and the City of Salem.

Pursuant to Title VI of the Civil Rights Act of 1964, and by Part 15 of the Federal Aviation Regulations, Lessee agrees it will not on the grounds of race, color, or national origin, discriminate or permit discrimination against any person or group of persons in any manner prohibited by Part 15 of the Federal Aviation Regulations.

The Lessor reserves the right to take such action as the United States may direct to enforce the provisions of these covenants.

(7) That the Lessee shall indemnify, defend, and save the Lessor, its officers, employees, and agents harmless from any and all claims or suits for damages to property or injuries to persons, whether or not the same be groundless, which arise or are alleged to have arisen from the acts or omissions of the Lessee, its agents, employees, tenants, or persons upon the leased premises for any reason.

(8) That the Lessee shall obtain and maintain a policy of liability insurance in form and coverage approved by the Lessor, providing coverage of at least \$100,000 bodily injury, \$100,000 property damage and \$300,000 aggregate per occurrence, and naming "The City of Salem, Oregon, its officers, agents, and employees" as additional named insured; and that the Lessee shall furnish the Lessor a certificate, on a form to be provided by Lessor, evidencing such coverage and any renewal thereof, and providing for not less than thirty days' written notice to be given to Lessor in the event of cancellation or reduction in coverage.

(9) That this lease agreement may be terminated or cancelled by the Lessee upon giving written notice to the Lessor ninety (90) days in advance of the date of termination.

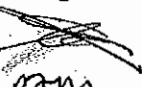
(10) That on expiration or termination of this lease, the Lessee may remove from the premises any improvements which have been or may be installed thereon by the Lessee; or, with the consent of the Lessor, the Lessee may sell such improvements to future leaseholders or leave such improvements for the use or disposal by the Lessor. When any improvements are removed, the Lessee shall restore the premises to as good a condition as the same were when first occupied by the Lessee. Any improvements, including the hangar above-described, not removed by the Lessee upon the termination of this lease, shall become and remain the property of the Lessor.

(11) That the Lessee herewith covenants and agrees to pay any and all taxes which may be levied and assessed against the leased property herein described in addition to the rental payments herein provided.

(12) That it is further understood and agreed upon that the Lessee shall not assign, or sell, or sublet any interest it may have in this lease or in any hangar constructed under the terms of this lease, without first obtaining the consent of the Lessor.

(13) That the Lessee herewith covenants and agrees that he will, at his own cost and expense, keep and maintain the premises covered by this lease and all buildings and improvements placed or erected thereon in a clean, safe, and sanitary condition and in a good and attractive state of repair.

(14) That the Lessee will permit said Lessor or its agent or agents to enter upon said demised premises and buildings erected thereon for purpose of inspection of the same, but lessor agrees not to unreasonably disturb Lessee's peaceable possession of said premises in so doing.


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These presents are upon the conditions that if the Lessee shall be in arrears in payment of the rent herein stipulated for thirty (30) days or more, or if the transfer or assignment, voluntarily, or involuntarily, of this lease or any interest therein be attempted, except as herein provided, or if the Lessee violates or neglects or fails to keep, observe, and perform any of its covenants, promises, or conditions herein contained which are on its part to be performed, kept and observed, then in any such cases, the Lessor may, at its election, immediately, or at any time thereafter and while such neglect or default continues, and with notice or demand enter into or upon said premises or any part thereof, and repossess the same, including all buildings and improvements thereon, and expel the said Lessee and those claiming under them, and remove their effects, forcibly if necessary, without being deemed guilty in any manner of trespass, and without prejudice to any remedies which might otherwise be invoked by the Lessor for breach of covenant.

Any waiver of a breach of any of the terms, conditions, covenants, or promises hereof shall not be deemed a continuing waiver upon the part of the Lessor, its successors and assigns.

In case suit or action is instituted to enforce any of the provisions of this agreement, the Lessee agrees to pay such sum as the court may adjudge reasonable as attorney's fees to be allowed plaintiff in said suit or action.

IN WITNESS WHEREOF, the Lessor has caused this agreement to be signed in its corporate name by its Mayor and to be attested by its City Recorder, and the Lessee has caused this agreement to be signed this ____ day of ____, 1980

Approved by:

A. R. Hampton
Airport Superintendent

CITY OF SALEM, a municipal corporation
LESSOR:

[Signature]
Mayor

ATTEST:

[Signature]
City Recorder

Approved as to form:

[Signature]
Assistant City Attorney

LESSEE:

[Signature]
C. Marvin May

LESSEE:

[Signature]
Blaine May

C/0061C

MAY TRUCKING HANGAR LEASE AREA

Beginning at a point which is South $24^{\circ} 35' 20''$ West 1960.30 feet and South $30^{\circ} 04'$ East 12.5 feet and North $59^{\circ} 56'$ East 5 feet from the southeast corner of the A F Waller Donation Land Claim #46 in section 36 Township 7 South, Range 3 West, of the Willamette Meridian, Marion County, Oregon; thence South $30^{\circ} 04'$ East 100 feet; thence South $59^{\circ} 56'$ West 130 feet; thence North $30^{\circ} 04'$ West 100 feet; thence North $59^{\circ} 56'$ East 130 feet to the point of beginning.

Containing 13,000 Square Feet or .3 acres more or less.

