

BASIC LEASE INFORMATION

LEASE DATE: July 28, 2006
LANDLORD: *IDM-Oregon, LLC*, an Oregon limited liability company
ADDRESS OF LANDLORD: 1498 SE Tech Center Place, Suite 150, Vancouver, Washington 98683
TENANT: Eurobest Food Industries, Inc. dba DPI Northwest
PREMISES: 11950 SW Leveton Drive
Tualatin, OR 97062

Paragraph 1 **Premises.** Approximately 118,800 square feet (approximately 113,400 warehouse and 10,800 of 2-story office) in a building of approximately 180,000 square feet (the "Building"), on an approximately 9.07 acre site such premises being shown and outlined in yellow on the plan attached hereto as Exhibit A, and being part of the real property described in Exhibit B attached hereto (the "Property").

Paragraph 1 **Lease Term.** Commencing on the "Commencement Date" as hereinafter defined and ending 120 months thereafter except that in the event the Commencement Date is a date other than the first day of a calendar month, said term shall extend for said number of days in addition to the remainder of the calendar month following the Commencement Date.

Paragraph 1 **Scheduled Term Commencement Date.** July 1, 2007

Paragraph 2	Monthly Base Rent.	<u>YEARS</u>	<u>MONTHS</u>	<u>MONTHLY RENT</u>
		1-2	Month 1	\$0.00
			Months 2-24	\$52,056
		3-4	Months 25-48	\$54,138
		5-6	Months 49-72	\$56,304
		7-8	Months 73-96	\$58,556
		9-10	Months 97-120	\$60,898

Paragraph 2B **Security Deposit.** \$52,056

Paragraph 4A **Tenant's Initial Monthly Escrow Payment for Taxes and Other Charges.** Tenant's Proportionate Share is calculated by dividing 118,800 by 180,000 and is 66.00%. When the property is fully assessed, the monthly charges of property taxes are estimated to be approximately \$0.065 psf per month, or \$7,722.

Paragraph 7 **Tenant's Initial Monthly Common Area Maintenance Charge.** Tenant's Proportionate Share is calculated by dividing 118,800 by 180,000 and is 66.00%. Common area maintenance is estimated to be approximately \$0.045 psf per month, or \$5,346.

Paragraph 13 **Tenant's Initial Monthly Insurance Escrow Payment.** Tenant's Proportionate Share is calculated by dividing 118,800 by 180,000 and is 66.00%. Property insurance is estimated to cost approximately \$0.01 psf per month, or \$1,188.

Tenant's Initial Monthly Payment Total for Taxes, Common Area Maintenance Charges and Insurance. \$14,256

The foregoing Basic Lease Information is hereby incorporated into and made a part of this Lease. Each reference in this Lease to any of the Basic Lease Information shall mean the respective information herein above set forth and shall be construed to incorporate all of the terms provided under the particular Lease paragraph pertaining to such information. In the event of any conflict between any Basic Lease Information and the Lease, the former shall control.



1 - BASIC LEASE INFORMATION

Please Initial
Tenant
Landlord

LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered into by and between **IDM-Oregon, LLC**, an Oregon limited liability company hereinafter referred to as "Landlord", and **Eurobest Food Industries, Inc. dba DPI Northwest**, an Oregon corporation hereinafter referred to as "Tenant";

WITNESSETH

1. PREMISES AND TERM.

A. In consideration of the obligation of Tenant to pay rent as herein provided, and in consideration of the other terms, provisions and covenants hereof, Landlord hereby demises and leases to Tenant, and Tenant hereby takes and leases from Landlord those certain Premises as outlined in red on Exhibit "A" attached hereto (hereinafter referred to as the "Premises") and incorporated herein by reference, together with all rights, privileges, easements, appurtenances, and amenities belonging to or in any way appertaining to the Premises and together with the buildings and other improvements (the "Building") situated or to be situated upon land described in Exhibit "B" attached hereto (the "Property").

B. TO HAVE AND TO HOLD the same for a term commencing on the "Commencement Date", as hereinafter defined, and ending thereafter as specified in the Basic Lease information, attached hereto, (the "Lease Term"), provided, however, that, in the event the "Commencement Date" is a date other than the first day of a calendar month, said term shall extend for said number of months in addition to the remainder of the calendar month following the "Commencement Date".

C. The "Commencement Date" shall be the Scheduled Term Commencement Date shown in the Basic Lease Information, attached hereto and incorporated herein by reference, or the date upon which the Premises shall have been substantially completed in accordance with the plans and specifications described in Exhibit "C" attached hereto and incorporated herein by reference, whichever is earlier. If the Premises shall not have been substantially completed as aforesaid by the Scheduled Term Commencement Date, Tenant's obligations to pay rent and its other obligations for payment under this Lease shall commence on the date the Premises are substantially completed as aforesaid. The Landlord shall not be liable to Tenant for any loss or damage resulting from such delay; provided, however, that in the event the Premises are not substantially completed within sixty (60) days after the Scheduled Term Commencement Date as determined under Paragraph 33(H), Tenant may, at its option, (i) require Landlord to pay any holdover premium (i.e., amounts owed in addition to regular lease base and additional rent) due by Tenant to its existing landlord due to Tenant's holdover under its lease in its current location through the Commencement Date, or (ii) terminate this Lease and be relieved of all further obligations hereunder by delivering written notice of its election to terminate to Landlord. Landlord shall notify Tenant in writing as soon as Landlord deems the Premises to be substantially completed and ready for occupancy. In the event that the Premises have not in fact been substantially completed as aforesaid, Tenant shall notify Landlord of its objections. Landlord shall have a reasonable time after delivery of such notice in which to take such corrective action as may be necessary, and shall notify Tenant in writing as soon as it deems such corrective action has been completed so that the Premises are substantially completed and ready for occupancy. Should Tenant be granted use of the premises or take possession before



substantial completion, the Commencement Date shall be deemed to be the day of said possession; provided, however, that Tenant may install racking in the Premises at any time without being deemed to have taken possession of the Premises and without causing the Commencement Date to occur. Should Tenant be responsible for any delay in achieving substantial completion, the Commencement Date shall be deemed to be the date of substantial completion less the days of delay caused by Tenant. Tenant acknowledges that no representations as to the repair of the Premises have been made by Landlord, unless such are expressly set forth in this Lease. After the Commencement Date, Tenant shall, upon demand, execute and deliver to Landlord a letter of acceptance of delivery of the Premises, specifying the Commencement Date and the rent commencement date, in recordable form. In the event of any dispute as to the substantial completion or work performed or required to be performed by Landlord, the certificate of Landlord's architect or general contractor shall be conclusive. Landlord warrants that the Premises shall be free from defects in accordance with Section 33.J. on Exhibit "C".

2. BASE RENT AND SECURITY DEPOSIT.

A. Tenant agrees to pay to Landlord Base Rent for the Premises, in advance, without demand, deduction or set off, for the entire Lease Term hereof at the rate specified in the Basic Lease Information, payable in monthly installments. One such monthly installment shall be due and payable on the date hereof and a like monthly installment shall be due and payable on or before the first day of each calendar month succeeding the Commencement Date recited above during the Lease Term, except that the rental payment for any fractional calendar month at the commencement or end of the Lease period shall be prorated on the basis of a 30-day month.

B. In addition, Tenant agrees to deposit with Landlord on the date hereof a security deposit in the amount specified in the Basic Lease Information, which sum shall be held by Landlord, without obligation for interest, as security for the performance of Tenant's covenants and obligations under this Lease, it being expressly understood and agreed that such deposit is not an advance rental deposit, not the last month's rent nor a measure of Landlord's damages in the event of Tenant's default. Upon the occurrence of any event of default by Tenant, Landlord may, from time to time, without prejudice to any other remedy provided herein or provided by law, use such deposit to the extent necessary to make good any arrears of rent or other payment due Landlord hereunder, and any other damage, injury, expense or liability caused by such event of default; or to perform any obligation required of Tenant under the Lease; and Tenant shall pay to Landlord on demand the amount so applied in order to restore the security deposit to its original amount. Although the security deposit shall be deemed the property of Landlord, any remaining balance of such deposit shall be returned by Landlord to Tenant at such time after termination of this Lease that all of Tenant's obligations under this Lease have been fulfilled.

3. USE. The Premises shall be used only for the purpose of receiving, storing, shipping, and distribution of food products, related general office purposes, and for such other lawful purposes as may be incidental thereto. Tenant shall, at its own cost and expense obtain any and all licenses and permits necessary for its use of the Premises. Tenant shall comply with all governmental laws, ordinances and regulations applicable to the use of the Premises and shall promptly comply with all governmental orders and directives including but not limited to those regarding the correction, prevention and abatement of nuisances in or upon, or connected with, the Tenant's use of the Premises, all at Tenant's sole expense., Landlord shall be responsible for



making any structural modifications to the Premises at Landlord's cost if such structural modifications are required because of Landlord's alterations at the Building or the Property. Tenant shall not permit any objectionable or unpleasant odors, smoke, dust, gas, noise or vibrations to emanate from the Premises, nor take any other action which would constitute a nuisance or would disturb or endanger any other tenants of the building in which the Premises are situated or unreasonably interfere with their use of their respective Premises. In addition to any other remedies Landlord may have for a breach by Tenant of the terms of this Section 3 after giving the required notice and cure period, Landlord shall have the right to have Tenant evicted from the Premises. Without Landlord's prior written consent, Tenant shall not receive, store or otherwise handle any product, material or merchandise which is explosive or highly flammable. Tenant will not permit the Premises to be used for any purpose or in any manner (including without limitation any method of storage) which would render the insurance thereon void or the insurance risk more hazardous or cause the State Board of Insurance or other insurance authority to disallow any sprinkler credits. In the event Tenant's use of Premises shall result in an increase in insurance premiums, Tenant shall be solely responsible for said increase.

4. TAXES AND OTHER CHARGES.

A. Tenant agrees to pay its proportionate share of any and all real and personal property taxes, regular and special assessments, license fees and other charges of any kind and nature whatsoever, payable by Landlord as a result of any public or quasi-public authority, private party, or owner's association levy, assessment or imposition against, or arising out of Landlord's ownership of or interest in, the real estate described in Exhibit "B" attached hereto, together with the building and the grounds, parking areas, driveways, roads, and alleys around the building in which the Premises are located, or any part thereof (hereinafter collectively referred to as the "Charges"). During each month of the Lease Term, Tenant shall make a monthly escrow deposit with Landlord (the "Escrow Payment") equal to 1/12 of its proportionate share of the Charges which will be due and payable for that particular calendar year. Tenant authorizes Landlord to use the funds deposited by Tenant with Landlord under this Paragraph 4 to pay the Charges. Each Escrow Payment shall be due and payable, as additional rent, at the same time and in the same manner as the payment of monthly rental as provided herein. The amount of the initial monthly Escrow Payment will be specified in the Basic Lease information. The initial Escrow Payment is based upon Tenant's proportionate share of the estimated Charges for the year in question, and the monthly Escrow Payment is subject to increase or decrease as determined by Landlord to reflect an accurate escrow of Tenant's estimated proportionate share of the Charges. The Escrow Payment account of Tenant shall be reconciled annually. If the Tenant's total Escrow Payments are less than Tenant's actual pro rata share of the Charges, Tenant shall pay to Landlord upon demand the difference; if the Tenant's total Escrow Payments are more than Tenant's actual pro rata share of the Charges, Landlord shall retain such excess and credit it to Tenant's Escrow Payment account for the successive year's Charges. Tenant shall be entitled to review Landlord's records in support of Landlord's calculation of the Charges upon request. Tenant's proportionate share of the Charges shall be computed by multiplying the Charges by fraction, the numerator of which shall be the number of gross leasable square feet of floor space in the Premises and the denominator of which shall be the total applicable gross leasable square footage or such other equitable apportionment as may be adopted.

B. If Tenant should fail to pay any Escrow Payments required to be paid by Tenant hereunder, in addition to any other remedies provided herein, Landlord may, if it so elects, pay



such Escrow Payments or taxes, assessments, license fees and other charges. Any sums so paid by Landlord shall be deemed to be so much additional rental owing by Tenant to Landlord and due and payable upon demand as additional rental plus interest at the rate of twelve percent (12%) per annum from the date of payment by Landlord until repaid by Tenant.

C. (1) If at any time during the Lease Term, the present method of taxation shall be changed so that in lieu of the whole or any part of any taxes, assessments, fees or charges levied, assessed or imposed on real estate and the improvements thereon, there shall be levied, assessed or imposed on Landlord a capital levy or other tax directly on the rents received therefrom and/or a franchise tax, assessment, levy or charge measured by or based, in whole or in part, upon such rents of the present or any future building or buildings, then all such taxes, assessments, fees or charges, or the part thereof so measured or based, shall be deemed to be included within the term "Charges" for the purposes hereof.

(2) Tenant may, alone or along with other tenants of the building containing the Premises, at its sole cost and expense, in its or their own name(s) dispute and contest any Charges by appropriate proceedings diligently conducted in good faith, but only after Tenant and all other tenants, if any, joining with Tenant in such contest have deposited with Landlord the amount so contested and unpaid or their proportionate shares thereof as the case may be, which shall be held by Landlord without obligation in trust until the termination of the proceedings, at which time the amount(s) deposited shall be applied by Landlord toward the payment of the items held valid (plus any court costs, interest, penalties, and other liabilities associated with the proceedings), and Tenant's share of any excess shall be returned to Tenant. Tenant further agrees to pay to Landlord upon demand Tenant's share (as among all Tenants who participated in the contest) of all court costs, interest, penalties and other liabilities relating to such proceedings. Tenant hereby indemnifies and agrees to hold harmless the Landlord from and against any cost, damage or expense (including attorney's fees) in connection with any such proceedings.

(3) Any payment to be made pursuant to this Paragraph 4 with respect to the calendar year in which this Lease commences or terminates shall bear the same ratio to the payment which would be required to be made for the full calendar year as that part of such calendar year covered by the Lease Term bears to a full calendar year.

D. Tenant shall be liable for all taxes levied against personal property and trade fixtures placed by Tenant in the Premises. If any such taxes are levied against Landlord or Landlord's property and if Landlord elects to pay the same or if the assessed value of Landlord's property is increased by inclusion of personal property and trade fixtures placed by Tenant in the Premises and Landlord elects to pay the taxes based on such increase, Tenant shall pay to Landlord upon demand that part of such taxes for which Tenant is primarily liable hereunder.

5. TENANT'S MAINTENANCE.

A. Tenant shall at its own cost and expense keep and maintain all parts of the Premises (except those for which Landlord is expressly responsible under the terms of this Lease, including but not limited to, the Common Areas as set forth in Section 7 below) in good condition and in compliance with all applicable building codes and federal, state and local laws, promptly making all necessary improvements, repairs and replacements, including but not limited to, Tenant's specialty refrigeration or HVAC system within the warehouse portion of the



Premises, windows, glass and plate glass, doors, any special office entry, interior walls and finish work, floor and floor covering, dock boards, truck doors, dock bumpers, plumbing work and fixtures, termite and pest extermination, regular removal of trash and debris, keeping the parking areas, driveways, alleys and the whole of the Premises in a clean and sanitary condition. Tenant shall not be obligated to repair any damage caused by fire, tornado, or other casualty covered by the insurance to be maintained by Landlord pursuant to subparagraph 13(A) below, except that Tenant shall be obligated to repair all wind damage to glass except with respect to tornado or hurricane damage.

B. Tenant shall not damage any demising wall or disturb the integrity and support provided by any demising wall and shall, at its sole cost and expense, promptly repair any damage or injury to any demising wall caused by Tenant or its employees, agents, licensees or invitees.

C. Tenant and its employees, customers and licensees shall have the right to use the number of parking spaces described on Exhibit "C", subject to such reasonable rules and regulations as Landlord may from time to time prescribe and subject to rights of ingress and egress of other tenants. Landlord shall not be responsible for enforcing Tenant's exclusive parking rights against any third parties. If Tenant or any other particular tenant of the building can be clearly identified as being responsible for obstructions or stoppage of a common sanitary sewage line, then Tenant, if Tenant is responsible, or such other responsible Tenant, shall pay the entire cost thereof, upon demand, as additional rent.

D. Landlord shall enter into a regularly scheduled preventive maintenance/service contract with a maintenance contractor for servicing all heating and air conditioning systems and equipment for the office portion of the Premises, but not for Tenant's specialty refrigeration or HVAC system within the warehouse portion of the Premises, and the cost shall be a Common Area cost.

6. LANDLORD'S REPAIRS. After reasonable notice from Tenant, Landlord shall repair the roof and gutters, exterior walls and foundations, the heating and air conditioning systems for the office portion of the Premises, and parking and driveway areas, and the cost thereof shall be a Common Area cost. Tenant shall repair and pay for any damage to such items to be maintained by Landlord caused by any act, omission or negligence of Tenant, or Tenant's employees, agents, licensees or invitees, or caused by Tenant's default hereunder. The term "walls" as used herein shall not include windows, glass or plate glass, doors, special store fronts or office entries. Tenant shall immediately give Landlord written notice of defect or need for repairs, after which Landlord shall have a reasonable opportunity and time to repair same or cure such defect. Landlord's liability with respect to any defects, repairs or maintenance for which Landlord is responsible under any of the provisions of this Lease shall be limited to the cost of such repairs or maintenance or the curing of such defect. With respect to any repairs by Landlord that is required to be depreciated or amortized over the life of the repair as a capital item under generally accepted accounting principles, the cost thereof shall be amortized over a time period equal to the useful life of the repairs.

7. MONTHLY COMMON AREA MAINTENANCE CHARGE. Tenant agrees to pay as an additional charge each month for its proportionate share of the cost of operation and maintenance of the Common Area which includes all areas of the Building and Property designated by



Landlord for the non-exclusive use of Landlord, Tenant, and other tenants on the Property and their respective guests, employees, and invitees. Common Area costs which may be incurred by Landlord at its discretion, shall include, but not limited to those costs incurred for lighting, water, sewage, trash removal, exterior painting, exterior window cleaning, sweeping, management, accounting, policing, inspecting, sewer lines, plumbing, paving, heating and air conditioning systems, landscape maintenance, plant material replacement, insurance premiums and deductibles, and other like charges, and Landlord's fee for supervision and administration of the items set forth in this paragraph which is limited to 5% of the total of the foregoing charges. Landlord shall maintain the Common Areas in reasonably good condition and repair. The proportionate share to be paid by Tenant of the cost of operation and maintenance of the Common Area shall be computed on the ratio that the gross leasable square feet of the Premises bears to the total applicable gross leasable square footage or such other equitable apportionment as may be adopted. Landlord shall make monthly or other periodic charges based upon the estimated annual cost of operation and maintenance of the Common Area, payable in advance but subject to adjustment after the end of the fiscal year on the basis of the actual cost for such year. Tenant shall be entitled to review Landlord's records in support of Landlord's calculations of the Common Area costs upon request. Any such periodic charges shall be due and payable upon delivery of notice thereof. The initial Common Area Maintenance Charge, subject to adjustment as provided herein, shall be due and payable, as additional rent, at the same time and in the same manner as the time and manner of the payment of monthly rental as provided herein. The amount of the initial monthly Common Area Maintenance Charge shall be as specified in the Basic Lease Information.

8. ALTERATIONS. Tenant shall not make any material alterations, additions or improvements to the Premises (including but not limited to roof and wall penetrations) without the prior written consent of Landlord. Tenant may, without the consent of Landlord, but at its own cost and expense and in a good workmanlike manner erect such shelves, bins, machinery and trade fixtures as it may deem advisable, without altering the basic character of the building or improvements and without overloading or damaging such building or improvements, and in each case complying with all applicable governmental laws, ordinances, regulations and other requirements. All alterations, additions, improvements and partitions erected by Tenant shall be and remain the property of Tenant during the Term of this Lease and Tenant shall, unless Landlord otherwise elects as hereinafter provided, remove all alterations, additions, improvements and partitions erected by Tenant and shall restore the Premises to their original condition, ordinary wear and tear excepted, by the date of termination of this Lease or upon earlier vacating of the Premises, provided, however, that if Landlord so elects prior to termination of this Lease or upon earlier vacating of the Premises, any or all alterations, additions, improvements and partitions as elected by Landlord shall become the property of Landlord as of the date of termination of this Lease or upon earlier vacating of the Premises and shall be delivered up to the Landlord with the Premises. All shelves, bins, machinery and trade fixtures installed by Tenant may be removed by Tenant prior to the termination of this Lease if Tenant so elects, and shall be removed by the date of termination of this Lease or upon earlier vacating of the Premises if required by Landlord; upon any such removal Tenant shall restore the Premises to their original condition. All such removals and restoration shall be accomplished in good workmanlike manner so as not to damage the primary structure or structural qualities of the buildings and other improvements situated on the Premises.

9. SIGNS. Tenant shall not install signs upon the Premises without Landlord's prior written



approval, which shall not be unreasonably withheld or delayed, and any such signage shall be subject to any applicable governmental laws, ordinances, regulations and other requirements. Tenant shall remove all such signs by the termination of this Lease. Such installations and removals shall be made in such a manner as to avoid injury or defacement of the building and other improvements, and Tenant shall repair any injury or defacement, including without limitation discoloration, caused by such installation and/or removal. Landlord approves Tenant's signage specifications attached hereto as Exhibit "D".

10. INSPECTION.

A. Landlord and Landlord's agents and representatives shall have the right to enter and inspect the Premises upon twenty-four (24) hours advance notice at any reasonable time during business hours, for the purpose of ascertaining the condition of the Premises or in order to make such repairs as may be required or permitted to be made by Landlord under the terms of this Lease. During the period that is six (6) months prior to the end of the Term hereof, Landlord and Landlord's agents and representatives shall have the right to enter the Premises at any reasonable time during business hours for the purpose of showing the Premises and shall have the right to erect on the Premises a suitable sign indicating the Premises are available.

B. Tenant shall give written notice to Landlord at least ten (10) days prior to vacating the Premises and shall arrange to meet with Landlord for a joint inspection of the Premises prior to vacating. In the event of Tenant's failure to give such notice or arrange such joint inspection and provided Landlord made itself available for the joint inspection, Landlord's inspection at or after Tenant's vacating the Premises shall be conclusively deemed correct for purposes of determining Tenant's responsibility for repairs and restoration. It shall be the responsibility of Tenant, prior to vacating the Premises, to clean and repair the Premises and restore them to the condition in which they were in upon delivery of the Premises to Tenant at the Commencement Date, reasonable wear and tear excepted. Cleaning, repair and restoration shall include, but not be limited to, removal of all trash, cleaning and repainting of walls, where necessary, cleaning of carpet and flooring, replacement of light bulbs and tubes, cleaning and wiping down of all fixtures, and all similar work, which shall be done at the latest practical date prior to vacation of the Premises.

11. UTILITIES. Landlord agrees to provide at its cost water, electricity and gas service connections into the Building; but Tenant shall pay for all water, gas, heat, light, power, telephone, sewer, interior sprinkler system charges and other utilities and services used on or from the Premises, together with any taxes, penalties, surcharges, or the like pertaining thereto and any maintenance charges for utilities and shall furnish all electric light bulbs and tubes. If any such services are not separately metered to Tenant, Tenant shall pay a reasonable proportion as determined by Landlord of all charges jointly metered with other Premises. Landlord shall in no event be liable for any interruption or failure of utility services to the Premises that is under the control of the utility service provider or is not on the Property, or that is under the control of the Landlord and on the Property, provided Landlord takes reasonable steps to restore the interrupted or failed services that is under the control of the Landlord or the cause of which is located on the Property. Tenant shall be responsible for cost of distribution, connection and upgrades of the utilities to the Premises from Building service connection.



12. ASSIGNMENT AND SUBLETTING.

A. Except as set forth in Section 12.D. below, Tenant shall not have the right, voluntarily or involuntarily, to assign, convey, transfer, mortgage or sublet the whole or any part of the Premises under this Lease without the prior written consent of Landlord. In the event Tenant applies to Landlord for consent to assign, convey, transfer or sublet the Premises, such consent shall not be unreasonably withheld or delayed. In the event that Landlord shall thereafter give its consent, Tenant shall pay Landlord a reasonable fee, not to exceed \$500.00, to reimburse Landlord for processing costs and shall pay Landlord's reasonable attorney fees, incurred in connection with such consent.

B. As a condition to Landlord's prior written consent as provided for in this Section, the Transferee shall agree in writing to comply with and be bound by all the terms, covenants, conditions, provisions and agreements of this lease, and Tenant shall deliver to Landlord, promptly after execution, an executed copy of each transfer instrument and an agreement of said compliance by each Transferee.

C. Notwithstanding any permitted assignment or subletting, Tenant shall at all times remain directly, primarily and fully responsible and liable for the payment of the rent herein specified and for compliance with all of its other obligations under the terms, provisions and covenants of this Lease. Upon the occurrence of an "event of default" as herein defined, if the Premises or any part thereof are then assigned or sublet, Landlord, in addition to any other remedies herein provided, or provided by law, may at its option, collect directly from such assignee or subtenant all rents becoming due to Tenant under such assignment, transfer or sublease and apply such rent against any sums due to Landlord from Tenant hereunder, and no such collection shall be construed to constitute a novation or a release of Tenant from the further performance of Tenant's obligations hereunder.

D. Notwithstanding anything to the contrary set forth above, Tenant may assign this Lease or sublease the Premises, in whole or in part, without the express written consent of Landlord to: (i) any corporation into which or with which Tenant has merged or consolidated; (ii) any parent, subsidiary, successor, or affiliated corporation of Tenant; (iii) any corporation or other entity which acquires all or substantially all of the assets or issued and outstanding shares of capital stock of Tenant; provided the resulting entity from such merger or consolidation or the transferee, other than a parent, subsidiary or affiliated corporation of Tenant, from any such acquisition, shall have a net worth not less than Tenant's prior to the merger, consolidation, acquisition, or transfer; and provided further any such assignee or successor shall agree in writing to assume and perform all of the terms and conditions of this Lease on Tenant's part to be performed from and after the effective date of such assignment or subletting, and so long as the resulting entity's use of the Premises does not change the actual use of Premises and does not violate any provision of this Lease or any applicable governmental law, rule or regulation. In addition, Tenant may sublease the Premises in whole or in part, without the express written consent of Landlord to any entity that is financially able as reasonably determined by Tenant to meet the obligations under the Sublease; provided that any such Sublessee shall agree in writing to assume and perform all of the terms and conditions of this Lease on Tenant's part to be performed from and after the effective date of such assignment or subletting, and so long as the Sublessee's use of the Premises does not violate any provision of this Lease or any applicable governmental law, rule or regulation.



13. INSURANCE, FIRE AND CASUALTY DAMAGE.

A. Landlord agrees to maintain insurance covering the building of which the Premises are a part in an amount not less than one hundred percent (100%) (or such greater percentage as may be necessary to comply with the provisions of any co-insurance clauses of the policy, or as may be required by any holder of any indebtedness secured by a mortgage or deed of trust on the Premises) of the "Replacement Cost" thereof as such term is defined in the Replacement Cost Endorsement to be attached thereto, insuring against the perils of Fire, Lightning, Extended Coverage, Vandalism and Malicious Mischief, extended by Special Extended Coverage Endorsement to insure against all other Risks of Direct Physical Loss, such coverages and endorsements to be as defined, provided and limited in the standard bureau forms prescribed by the insurance regulatory authority for the State in which the Premises are situated for use by insurance companies admitted in such state for the writing of such insurance on risks located within such state. Subject to the provisions of subparagraph 13, C, D, E below, such insurance shall be for the sole benefit of Landlord and under its sole control. In the event the insurance policy shall contain a deductible, Tenant shall be liable for and pay any deductible withheld from insurance proceeds or payable under the terms of the insurance policy in the event of a claim or insured loss thereunder caused by Tenant.

B. Tenant agrees to pay its proportionate share of Landlord's cost of carrying fire and extended coverage insurance ("insurance") on the building. During each month of the term of this Lease, Tenant shall make a monthly escrow deposit with Landlord equal to one-twelfth of its proportionate share of the Insurance on the buildings and grounds which will be due and payable for that particular year. Tenant authorizes Landlord to use the funds deposited by him with Landlord under this paragraph to pay the cost of such insurance. Each Insurance Escrow payment shall be due and payable, as additional rent, at the same time and manner of the payment of the monthly rental as provided herein. The initial share of the estimated Insurance for the year in question, and the monthly Insurance Escrow Payment is subject to increase or decrease as determined by Landlord to reflect an accurate monthly escrow of Tenant's estimated proportionate share of this Insurance. The Insurance Escrow Payment account of Tenant shall be reconciled annually. Tenant shall be entitled to review Landlord's records in support of the Insurance Costs assessed the Tenant hereunder. If the Tenant's total Insurance Escrow Payments are less than Tenant's actual pro rata share of the Insurance, Tenant shall pay to Landlord upon demand, the difference; if the total Insurance Escrow Payments of Tenant are more than Tenant's actual pro rata share of the Insurance, Landlord shall promptly refund the balance of such excess to Tenant after first crediting the excess to the next monthly payment by Tenant for its proportionate share of Taxes and Insurance. Tenant's cost of insurance shall be computed by multiplying the cost of Insurance by a fraction, the numerator of which shall be the number of gross leasable square feet of floor space in the Premises and the denominator of which shall be the total applicable gross leasable square footage. The amount of the initial monthly Insurance Escrow Payment will be as specified in the Basic Lease Information. Tenant and Landlord will comply with requirements of Mortgagee (e.g. insurance coverage and inspections) and the additional costs shall be a Common Area cost, unless the cost is primarily caused by Tenant's use or occupation of Premises in which event the cost shall be paid by the Tenant.



C. If the building, of which the Premises are a part, should be damaged or destroyed by fire, tornado or other casualty, Tenant shall give immediate written notice thereof to Landlord.

D. If the building, of which the Premises are a part, should be totally destroyed by fire, tornado or other casualty, or if it should be so damaged thereby that rebuilding or repairs cannot in Landlord's reasonable estimation be completed within two hundred (200) days after the date upon which Landlord is notified by Tenant of such damage, this Lease shall terminate and the rent shall be abated during the unexpired portion of this Lease, effective upon the date of the occurrence of such damage. Landlord shall give notice to Tenant in writing of its determination to terminate this Lease within ninety (90) days following the date of the occurrence of such damage.

E. If the building, of which the Premises are a part, should be damaged by any peril covered by the Insurance to be provided by Landlord under subparagraph 13(A) above, but only to such extent the rebuilding or repairs can in Landlord's reasonable estimation be completed within two hundred (200) days after the date upon which Landlord is notified by Tenant of such damage, this Lease shall not terminate, and Landlord shall at its sole cost and expense thereupon proceed with reasonable diligence to rebuild and repair such building to substantially the condition in which it existed prior to such damage, except that Landlord shall not be required to rebuild, repair or replace any part of the partition, fixtures, additions and other improvements which may have been placed in, or about the Premises by Tenant. If the Premises are untenantable in whole or in part following such damage, the rent and Tenant's proportionate share of Charges and Common Area costs payable hereunder during the period in which they are untenantable shall be reduced pro rata in direct proportion to the amount of untenantable square footage in the Premises. In the event that Landlord shall fail to complete such repairs and rebuilding within two hundred (200) days after the date upon which Landlord is notified by Tenant of such damage, Tenant may at its option terminate this Lease by delivering written notice of termination to Landlord as Tenant's exclusive remedy, whereupon all rights and obligations hereunder shall cease and terminate.

F. Notwithstanding anything herein to the contrary, in the event the holder of any indebtedness secured by a mortgage or deed of trust covering the Premises requires that the insurance proceeds be applied to such indebtedness, then Landlord shall have the right to terminate this Lease by delivering written notice of termination to Tenant within fifteen (15) days after such requirement is made by any such holder, whereupon all rights and obligations hereunder shall cease and terminate. Landlord shall use commercially reasonable efforts to have the Lender agree to apply the insurance proceeds to re-build the Premises.

G. Each of Landlord and Tenant hereby releases the other from such loss or damage to property caused by fire or any other perils insured through or under them by way of subrogation or otherwise for any loss or damage to property caused by fire or any other perils insured in policies of Insurance covering such property, even if such loss or damage shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible; provided, however, that this release shall be applicable and in force and effect, only with respect to loss or damage occurring during such times as the releasor's policies shall contain a clause or endorsement to the effect that any such release shall not adversely affect or impair said policies or prejudice the right of the releasor to recover thereunder and then only to the



extent of the Insurance proceeds payable under such policies. Each of the Landlord and Tenant agrees that it will request its Insurance carriers to include in its policies such a clause or endorsement. If extra cost shall be charged therefor, each party shall advise the other thereof and of the amount of the extra cost, and the other party, at its election, may pay the same, but shall not be obligated to do so.

14. LIABILITY. Landlord shall not be liable to Tenant or Tenant's employees, agents, servants, guests, invitees or visitors, or to any other person whomsoever, for any injury to personal or damage to property on or about the Premises, resulting from and/or caused in part or whole by the negligence or misconduct of Tenant its employees, agents, servants, guests, invitees or visitors, or of any other person entering upon the Premises, or caused by the building and improvements located on the Premises becoming out of repair, or caused by leakage of gas, oil, water or steam or by electricity emanating from the Premises, or due to any cause whatsoever, and Tenant hereby covenants and agrees that it will at all times indemnify and hold safe and harmless the property, the Landlord (including without limitation the trustee and beneficiaries if Landlord is a trust), Landlord's employees, agents, servants, guests, invitees, and visitors from any loss liability, claims, suits, costs, expenses, including without limitation attorney's fees and damages, both real and alleged, arising out of any such damage or injury; except injury to persons or damage to property the sole cause of which is the negligence of Landlord or the failure of Landlord to repair any part of the Premises which Landlord is obligated to repair and maintain hereunder within a reasonable time after the receipt of written notice from Tenant of needed repairs. Tenant shall procure and maintain throughout the term of this Lease a policy or policies of Insurance, at its sole cost and expense, insuring both Mortgagee, Landlord, Landlord's Manager, Landlord's agents and Tenant against all claims, demands or actions arising out of or in connection with: (i) the Premises; (ii) the condition of the Premises; (iii) Tenant's operations in and maintenance and use of the Premises; and (iv) Tenant's liability assumed under this Lease, the limits of such policy or policies to be in the amount of not less than \$2,000,000 per occurrence in respect of injury to persons (including death) and in respect of property damage or destruction, including loss of use thereof. All such policies shall be occurrence version and of a type and form reasonably acceptable to Landlord and Mortgagee. Furthermore, all such policies shall be procured by Tenant from responsible Insurance companies reasonably satisfactory to Landlord. Certificates of Insurance are required as evidence of insurance and if necessary, certified copies of such policies, together with receipt evidencing payment of premiums therefore, shall be delivered to Landlord prior to the commencement date of this Lease and at each anniversary date of the Lease or the scheduled expiration of the existing policy, whichever occurs first. Such policies shall further provide that not less than thirty (30) days written notice shall be given to Landlord before such policy may be cancelled or changed to reduce insurance provided thereby.

15. CONDEMNATION.

A. If the whole or any substantial part of the Premises should be taken for any public or quasi-public use under government law, ordinance or regulation, or by right of eminent domain, or by private purchase in lieu thereof and the taking would prevent or materially interfere with the use of the Premises for the purpose for which they are being used, this lease shall terminate and the rent shall be abated during the unexpired portion of this Lease, effective when the physical taking of said Premises shall occur.



B. If part of the Premises shall be taken for any public or quasi-public use under any governmental law, ordinance or regulation, or by right of eminent domain, or by private purchase in lieu thereof, and this Lease is not terminated as provided in the subparagraph above, this Lease shall not terminate but the rent payable hereunder during the unexpired portion of this Lease shall be reduced pro rata in direct proportion to the amount of square footage of the Premises so taken.

C. In the event of any such taking or private purchase in lieu thereof, Landlord shall be entitled to receive the entire award. Tenant shall be entitled to make a claim in any condemnation proceedings which does not reduce the amount of Landlord's award, for the value of any furniture, furnishing and fixtures installed by and at the sole expense of Tenant and Tenant's relocation expenses.

16. HOLDING OVER. Tenant will, at the termination of this Lease by lapse of time or otherwise, yield up immediately possession to Landlord. If Landlord agrees in writing that Tenant may hold over after the expiration or termination of this Lease, unless the parties hereto otherwise agree in writing on the terms of such holding over, the holdover tenancy shall be subject to termination by Landlord at any time upon not less than thirty (30) days advance written notice, or by Tenant at any time upon not less than thirty (30) days advance written notice, and all of the other terms and provisions of this Lease shall be applicable during that period, except that Tenant shall pay Landlord from time to time upon demand, as rental for the period of any hold over, an amount equal to one and one-quarter (1-1/4) the Base Rent in effect on the termination date, plus all additional rental, as defined herein, computed on a daily basis for each day of the hold over period. No holding over by Tenant, whether with or without consent of Landlord, shall operate to extend this Lease except as otherwise expressly provided. The preceding provisions of this Paragraph 16 shall not be construed as Landlord's consent for Tenant to hold over.

17. QUIET ENJOYMENT. Landlord covenants that it now has, or will acquire before Tenant takes possession of the Premises, good fee or leasehold title to the Premises, free and clear of all liens and encumbrances, excepting only the lien for current taxes not yet due, such mortgage or mortgages as are permitted by the terms of this Lease, zoning ordinances and other building and fire ordinances and government regulations relating to the use of such property, and easements, restrictions and other conditions of record. In the event this Lease is a sublease, then Tenant agrees to take the Premises subject to the provisions of the prior leases. Landlord represents and warrants that it has full right and authority to enter into this Lease and that Tenant, upon paying the rental herein set forth and performing its other covenants and agreements herein set forth, shall peaceably and quietly have, hold and enjoy the Premises for the term hereof without hindrance or molestation from Landlord, subject to the terms and provisions of this Lease.

18. EVENTS OF DEFAULT. The following events shall be deemed to be events of default by Tenant under this Lease:

A. Tenant shall fail to pay any installment of the rent herein reserved within five (5) days of when due, or any payment with respect to taxes hereunder within five (5) days of when due, or any other payment or reimbursement to Landlord required herein within five (5) days of when due, and such failure shall continue for a period of three (3) business days from the date



Landlord delivers a written default notice to Tenant, provided that only one notice with respect to the same default need be given by Landlord during any twelve (12) month period of the Lease.

B. Tenant shall become insolvent, or shall make a transfer in fraud of creditors, or shall make an assignment for the benefit of creditors.

C. Tenant shall file a petition under any section or chapter of the National Bankruptcy Act, as amended, or under any similar law or statute of the United States or any State thereof; or Tenant shall be adjudged bankrupt or insolvent in proceedings filed against Tenant thereunder.

D. A receiver or trustee shall be appointed for all or substantially all of the assets of Tenant.

E. Tenant shall desert or vacate any substantial portion of the Premises except as required for repair, restoration, or remodeling work.

F. Tenant shall fail to comply with any term, provision or covenant of this Lease (other than the foregoing in this Paragraph 18), and shall not cure such failure within thirty (30) days after written notice thereof to Tenant. If the default is of such a nature that it cannot be completely remedied within the 30-day period, this provision shall be complied with if Tenant begins correction of the default within the 30-day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable.

19. REMEDIES. Upon the occurrence of any such events of default described in Paragraph 18 hereof, Landlord shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever.

A. Landlord may accelerate all rent payments due hereunder which shall then become immediately due and payable.

B. Terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails so to do, Landlord may, without prejudice to any other remedy which it may have for possession or arrearage in rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying such Premises or any part thereof, by force if necessary, without being liable for prosecution or any claim of damages therefor, and Tenant agrees to pay to Landlord on demand the amount of all loss and damage which Landlord may suffer by reason of such termination, whether through inability to relet the Premises on satisfactory terms or otherwise.

C. Enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying such Premises or any part thereof, by force if necessary, without being liable for prosecution or any claim for damages therefor, and relet the Premises for such terms ending before, on or after the expiration date of the Lease Term, at such rentals and upon such other conditions (including concessions and prior occupancy periods) as Landlord in its sole and reasonable discretion may determine, and receive the rent therefor; and Tenant agrees to pay to the Landlord on demand any deficiency that may arise by reason of such reletting. Landlord shall have no obligation to relet the Premises or any part thereof and shall not



be liable for refusal or failure to relet or in the event of reletting for refusal or failure to collect any rent due upon such reletting. In the event Landlord is successful in reletting the Premises at a rental in excess of that agreed to be paid by Tenant pursuant to the terms of this Lease, Landlord and Tenant each mutually agree that Tenant shall not be entitled, under any circumstances, to such excess rental, and Tenant does hereby specifically waive any claim to such excess rental.

D. Enter upon the Premises, by force if necessary, without being liable for prosecution or any claim for damages therefor, and do whatever Tenant is obligated to do under the terms of this Lease; and Tenant agrees to reimburse Landlord on demand for any expenses which Landlord may incur in thus effecting compliance with Tenant's obligations under this Lease, and Tenant further agrees that Landlord shall not be liable for any damages resulting to the Tenant from such action, whether caused by the negligence of Landlord or otherwise.

E. Whether or not Landlord retakes possession or relets the Premises, Landlord shall have the right to recover unpaid rent and all damages caused by Tenant's default, including attorney's fees. Damage shall include, without limitation: all rentals lost, all legal expenses and other related costs incurred by Landlord following Tenant's default, all costs incurred by Landlord in restoring the Premises to good order and condition, or in remodeling, renovating or otherwise preparing the Premises for reletting, all costs (including without limitation any brokerage commissions and the value of Landlord's time) incurred by Landlord, plus interest thereof from the date of expenditure until fully repaid at the rate of twelve percent (12%) per annum.

F. In the event Tenant fails to pay any installment of rent, additional rent or other charges hereunder within five (5) days of when such installment is due, to help defray the additional cost to Landlord for processing such late payments Tenant shall pay to Landlord on demand a late charge in an amount equal to five percent (5%) of such installment; and the failure to pay such amount within ten (10) days after demand therefore shall be an event of default hereunder. The provision for such late charge shall be in addition to all of Landlord's other rights and remedies hereunder or at law and shall not be construed as liquidated damages or as limiting Landlord's remedies in any manner.

G. Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or any other remedies provided by law, such remedies being cumulative and non-exclusive, nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any rent due to Landlord hereunder or of any damages accruing to Landlord by reason of the violation of any of the terms, provisions and covenants herein contained. No act or thing done by the Landlord or its agents during the Lease Term hereby granted shall be deemed a termination of this Lease or an acceptance of the surrender of the Premises, and no agreement to terminate this Lease or accept a surrender of said Premises shall be valid unless in writing signed by Landlord. No waiver by Landlord of any violation or breach of any of the terms, provisions and covenants herein contained shall be deemed or construed to constitute a waiver of any other violation or breach of any of the terms, provisions and covenants herein contained. Landlord's acceptance of the payment of rental or other payments hereunder after the occurrence of an event of default shall not be construed as a waiver of such default, unless Landlord so notifies Tenant in writing. Forbearance by Landlord to enforce one or more of the remedies herein provided upon an event of default shall not be deemed or construed to constitute a waiver of such default or of Landlord's right to enforce any such remedies with



respect to such default or any subsequent default. If, on account of any breach or default by Tenant in Tenant's obligations under the terms and conditions of this Lease, it shall become necessary or appropriate for Landlord to employ or consult with an attorney concerning or to enforce or defend any of Landlord's rights or remedies hereunder, Tenant agrees to pay any reasonable attorney's fees so incurred.

20. MORTGAGES.

A. Subordination. This Lease, and all rights of Tenant hereunder are and shall be subject and subordinate to any and all mortgages or deeds of trust which may now or hereafter affect the Premises, whether or not such mortgages or deeds of trust shall also cover other lands and/or buildings, to each and every advance made or hereafter to be made under such mortgages, and to all renewals, modifications, replacements and extensions of such mortgages or deeds of trust. This Section shall be self-operative, and no further instrument of subordination shall be required. In confirmation of such subordination, Tenant shall promptly execute, acknowledge or deliver any instrument that Landlord or any Mortgagee may reasonably request to evidence such subordination; and if Tenant fails to execute, acknowledge or deliver any such instruments within ten (10) days after request therefore, Tenant hereby irrevocably constitutes and appointed Landlord as Tenant's attorney-in-fact, coupled with an interest, to execute and deliver any such instruments for and on behalf of Tenant.

B. Notice. If any act or omission of Landlord would give Tenant the right, immediately or after lapse of a period of time, to cancel or terminate this Lease, or to claim a partial or total eviction, Tenant shall not exercise such right: (i) until it has given written notice of such act or omission to Landlord and each Mortgagee whose name and address shall previously have been furnished to Tenant; and (ii) until thirty (30) days shall have elapsed following the time when such Mortgagee shall have received the written notice.

C. Attornment. For the purposes of this Section, the term "Successor Landlord" shall mean the Mortgagee if the same succeeds to the rights of Landlord under this Lease, whether through possession or foreclosure action or delivery of a new lease or deed, or any third party that succeeds to the rights of Landlord under this Lease by virtue of having purchased the Land and the Building at a foreclosure sale. At the request of a Successor Landlord and upon such Successor Landlord's written agreement to accept Tenant's attornment, and to not disturb Tenant's quiet possession of the Premises, Tenant shall attorn to and recognize such Successor Landlord as Tenant's Landlord under this Lease and shall promptly execute and deliver any instrument that such Successor Landlord may reasonably request to evidence such attornment. Upon such attornment this Lease shall continue in full force and effect as a direct lease between the Successor Landlord and Tenant upon all of the terms, conditions and covenants as are set forth in this Lease except that the Successor Landlord shall not: (i) be liable for any previous act or omission of Landlord under this Lease; (ii) be subject to any offset, deficiency or defense which theretofore shall have accrued to Tenant against Landlord; (iii) be bound by any previous modification of this Lease or by any previous prepayment of more than one (1) month's Base Rent, unless such modification or prepayment shall have been expressly approved in writing by the Mortgagee through or by reason of which the Successor Landlord shall have succeeded to the right of Landlord under this Lease; (iv) be liable for the commencement or completion of any construction or any contribution toward construction or installation of any improvements upon the Premises required under this Lease, or any expansion or rehabilitation of existing



improvements upon the Premises or for restoration of improvements following any casualty not required to be insured under this Lease or for the costs of any restoration in excess of the proceeds recovered under any insurance required to be carried under this Lease; (v) be liable for the right and claim under this Lease in, to and upon any award or other compensation heretofore or hereafter to be made for any taking by eminent domain of any part of the Premises, and as to the right of disposition thereof, the same shall be in accordance with the provisions of the mortgage; (vi) be liable for any right and claim under this Lease in, to and upon any proceeds payable under all policies of fire and rent insurance upon the Premises and as to the right of disposition thereof, the same shall be in accordance with the terms the mortgage; (vii) be liable for any lien, right, power or interest, if any, which may have arisen or intervened in the period between the recording of the mortgage and the execution of this Lease or any lien or judgment which may arise at any time under the terms of this Lease; or (viii) be liable for the return of any security deposit which was not actually transferred to the Successor Landlord.

D. Modifications for Superior Mortgage. If any Mortgagee shall require any modification(s) of this Lease, Tenant upon ten (10) days prior written notice of Landlord's request, shall execute and deliver to Landlord such instruments effecting such modification(s) as Landlord shall require, provided that such modification(s) do not adversely affect in any material respect any of Tenant's rights under this Lease.

E. Tenant will comply with such reasonable requests of Mortgagee not previously provided for herein.

21. MECHANIC'S LIENS. Tenant shall have no authority, express or implied, to create or place any lien or encumbrance of any kind or nature whatsoever upon, or in any matter to bind, the interest of Landlord in the Premises or to charge the rentals payable hereunder for any claim in favor of any person dealing with Tenant, including those who may furnish materials or perform labor for any construction or repairs, and each such claim shall affect and each such lien shall attach to, if at all, only the leasehold interest granted to Tenant by this instrument. Tenant covenants and agrees that it will pay or cause to be paid all sums legally due and payable by it on account of any labor performed or materials furnished in connection with any work performed on the Premises by Tenant on which any lien is or can be validly and legally asserted against its leasehold interest in the Premises or the improvements thereon and that it will save and hold Landlord harmless from any and all loss, cost or expense based on or arising out of asserted claims or liens against the leasehold estate or against the right, title and interest of the Landlord in the Premises or under the terms of this Lease.

22. NOTICES. Each provision of this instrument or of any applicable governmental laws, ordinances, regulations and other requirements with reference to the sending, mailing or delivery of any notice or the making of any payment by Landlord to Tenant or with reference to the sending, mailing or delivery of any notice or the making of any payment by Tenant to Landlord shall be deemed to be complied with when and if the following steps are taken.

A. All rents and other payments required to be made by Tenant to Landlord hereunder shall be payable to Landlord at the address hereinbelow set forth or at such other address as Landlord may specify from time to time by written notice delivered in accordance herewith. Tenant's obligation to pay rent and any other amounts to Landlord under the terms of



this Lease shall not be deemed satisfied until such rent and other amounts have been actually received by Landlord.

B. All payments required to be made by Landlord to Tenant hereunder shall be payable to Tenant at the address hereinbelow set forth, or at such other address within the continental United States as Tenant may specify from time to time by written notice delivered in accordance herewith.

C. Any notice or document required or permitted to be delivered hereunder shall be deemed to be delivered (whether actually received or not) two (2) days after being deposited in the United States Mail, postage prepaid, Certified or Registered Mail, mail, addressed to the parties hereto at the respective addresses set out below, or at such other address within the continental United States as they have theretofore specified by written notice delivered in accordance herewith:

LANDLORD:

IDM-Oregon, LLC
1498 SE Tech Center Place, Suite 150
Vancouver, WA 98683
Attn: Jeffrey S. Gordon

TENANT:

Eurobest Food Industries, Inc.
dba DPI Northwest
11950 SW Leveton Drive
Tualatin, OR 97062
Attn: Mark L. Dahm

If and when included within the term "Landlord", as used in this instrument, there are more than one person, firm or corporation, all shall jointly arrange among themselves for their joint execution of such notice specifying some individual at some specific address for the receipt of notices and payments to Landlord; if and when included within the term "Tenant", as used in this instrument, there are more than one person, firm or corporation, all shall jointly arrange among themselves for their joint execution of such a notice specifying some individual at some specific address within the continental United States for the receipt of notices and payments to Tenant. All parties included within the terms "Landlord" and "Tenant", respectively, shall be bound by notices given in accordance with the provisions of this paragraph to the same effect as if each had received such notice.

23. HAZARDOUS MATERIALS. Tenant hereby covenants and agrees not to cause or permit the presence, use, generation, release, discharge, storage, disposal, or transportation of any Hazardous Materials (as defined below) on, under, in, above, to, or from the Premises, the Common Areas or any portion of the property other than in strict compliance with all applicable federal, state, and local laws, regulations, and orders. For the purposes of this Lease the term "Hazardous Materials" shall mean: any chemical, substance or material defined, classified or designated as hazardous, toxic or radio active, or other similar term, by any federal, state or local environmental statute, regulation for ordinances presently in affect or that may be promulgated in the future, as they may be amended from time to time, and also including urea-formaldehyde, polychlorinated biphenyls, dioxin, asbestos, asbestos containing materials, nuclear fuel or waste, and petroleum, including but not limited to, crude oil or any fraction thereof, natural gas, natural gas liquids, gasoline and synthetic gas, or any other waste, substance, pollutant or contaminate, which would subject the owner of the Premises to any damages, penalties or liabilities under any applicable federal, state or local law or regulating or case law under the common law.



Hazardous Materials will also include any petroleum product or any substance which after being released into the environment and upon exposure, ingestion, inhalation or assimilation, either directly from the environment or indirectly by ingestion through food chains or otherwise, will and may reasonably be anticipated to cause sickness, death, disease, behavior abnormalities, cancer, or genetic abnormalities. Tenant shall indemnify, defend, and hold Landlord harmless from and against (a) any loss, cost, expense, claim, or liability arising out of any investigation, monitoring, clean-up, containment, removal, storage, or restoration work ("Remedial Work") required by, or incurred by Landlord or any nongovernmental entity or person in a reasonable belief that such work is required by, any applicable federal, state, or local law, governmental agency, or political subdivision and such Remedial Work is due to the presence, release, or discharge of any Hazardous Material on the Premises caused by Tenant or its agents, invitees, guests, customers, vendors, employees, or contractors, and (b) any claims of third parties for loss, injury, expense, or damage arising out of the presence, release, or discharge of any Hazardous Material on, under, in, above, to, or from the Premises during the term of this Lease caused by Tenant or its agents, invitees, guests, customers, vendors, employees, or contractors. In the event any Remedial Work is so required under any applicable federal, state, or local law during the term of this Lease and such Remedial Work is due to the presence, release, or discharge of any Hazardous Material on the Premises caused by Tenant or its agents, invitees, guests, customers, vendors, employees, or contractors, Tenant shall perform or cause to be performed the Remedial Work in compliance with such law, regulation, or order. All Remedial Work shall be performed by one or more contractors under the supervision of a consulting engineer, each selected by Tenant and approved in advance in writing by Landlord. In the event Tenant shall fail to commence the Remedial Work in timely fashion or fail to prosecute diligently the Remedial Work to completion, Landlord may, but shall not be required to, cause the Remedial Work to be performed, subject fully to the indemnification provisions of this paragraph. The foregoing indemnification obligation shall survive termination of this Lease.

24. MISCELLANEOUS.

A. Words of any gender used in this Lease shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.

B. The terms, provisions and covenants and conditions contained in this Lease shall apply to, inure to the benefit of, and be binding upon, the parties hereto and upon their respective heirs, legal representatives, successors and permitted assigns, except as otherwise herein expressly provided. Landlord shall have the right to assign any of its rights and obligations under this Lease. Each party agrees to furnish to the other, promptly upon demand, a corporate resolution, proof of due authorization by partners, or other appropriate documentation evidencing the due authorization of such party to enter into this Lease.

C. The captions inserted in this Lease are for convenience only and in no way define, limit or otherwise describe the scope or intent of this Lease, or any provision hereof, or in any way affect the interpretation of this Lease.

D. Tenant agrees from time to time within ten (10) days after request of Landlord, to deliver to Landlord, or Landlord's designee, an estoppel certificate that this Lease is in full force and effect, the date to which rent has been paid, the unexpired term of this Lease and such other



matters pertaining to this Lease as may be requested by Landlord. It is understood and agreed that Tenant's obligations to furnish such estoppel certificates in a timely fashion is a material inducement for Landlord's execution of this Lease.

E. This Lease may not be altered, changed or amended, except by an instrument in writing signed by both parties hereto.

F. All obligations of Tenant hereunder not fully performed as of the expiration or earlier termination of the Term of this Lease shall survive the expiration or earlier termination of the Term hereof, including without limitation all payment obligations with respect to taxes and insurance and all obligations concerning the condition of the Premises. Upon the expiration or earlier termination of the Term hereof, and prior to Tenant vacating the Premises, Tenant shall pay to Landlord any amount reasonably estimated by Landlord as necessary to put the Premises, including without limitation, all heating and air conditioning systems and equipment therein, in good condition and repair pursuant to Paragraph 10(B) hereof. Tenant shall also, prior to vacating the Premises, pay to Landlord the amount, as estimated by Landlord, of Tenant's obligation hereunder for real estate taxes and insurance premiums for the year in which the Lease expires or terminates prorated through the date of termination. All such amounts shall be used and held by Landlord for payment of such obligations of Tenant hereunder, with Tenant being liable for any additional costs therefor upon demand by Landlord, or with any excess to be returned to Tenant after all such obligations have been determined and satisfied, as the case may be. Any security deposit held by Landlord shall be credited against the amount payable by Tenant under this Paragraph 24(F).

G. If any clause or provision of this Lease is illegal, invalid or unenforceable under present or future laws effective during the Term of this Lease, then and in that event, it is the intention of the parties hereto that the remainder of this Lease shall not be affected thereby, and it is also the intention of the parties to this Lease that in lieu of each clause or provision of this Lease that is illegal, invalid or unenforceable, there be added as part of this Lease contract a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

H. All references in this Lease to the date hereof or similar references shall be deemed to refer to the last date, in point of time, on which all parties hereto have executed this Lease.

25. LIABILITY OF LANDLORD. Tenant agrees that no trustee, officer, employee, agent or individual partner of Landlord, or its constituent entities, shall be personally liable for any obligation of Landlord hereunder, and that Tenant must look solely to the interests of Landlord, or its constituent entities in the subject real estate, for the enforcement of any claims against Landlord arising hereunder.

26. DISCLOSURE. The managing partners of Landlord and other related parties are licensed real estate brokers or salespersons.

27. MULTIPLE PARTIES. If Tenant is comprised of more than one person or entity, then the term "Tenant" shall refer to all such persons or entities collectively and to each such person or entity individually, such that all obligations, covenants, warranties, requirements, restrictions,

A handwritten signature, possibly "JP", is written over a circular stamp. The stamp contains some illegible text and a central emblem.

and other provisions of this Lease shall apply both collectively and individually. If Tenant is comprised of more than one person or entity, then each of such persons or entities shall be jointly and severally liable for the Base Rent and other sums due Landlord hereunder, and for the performance of all of Tenant's other obligations under this Lease, and for any default on the part of any one or more of the persons or entities comprising Tenant. This Lease shall be so construed that, wherever applicable, the use of the singular number shall include the plural number, the use of the plural number shall include the singular number, the use of any gender shall be applicable to all genders, and shall likewise be so construed as applicable to and including a corporation. Any act, event or omission which is hereby defined as a default on the part of Tenant shall likewise be a default on the part of Tenant should the same exist with respect to any one or more parties comprising Tenant.

28. ATTORNEY FEES. If suit or action is instituted in connection with any controversy arising out of this lease, the prevailing party shall be entitled to recover in addition to costs such sum as the court may adjudge reasonable as attorney fees at trial, on petition for review, and on appeal.

29. OPTION TO EXPAND LEASE. Tenant shall have the right to lease, at its option, any and all Available Additional Space in the Building at any time. "Additional Space" is defined as the additional rentable square feet in the Building estimated to be approximately an additional 60,000 square feet. "Available" is defined as space not under lease to a third party, or that is under lease to a third party at the expiration of the lease of the third party. Landlord shall not enter into any lease or combination of leases with one or more third parties for space in the Building for a term in excess of five (5) years or for a term that expires after December 31, 2012, whichever is shorter. Tenant shall give the Landlord not less than six (6) months prior written notice of its intention to exercise the foregoing option to expand the Premises to include any or all of the Available Additional Space. Base Rent for the Additional Space shall be at the lower of (i) the per square foot rate then being paid by Tenant for its existing Premises; or (ii) the market rate. If Tenant exercises this expansion option, Landlord agrees to improve the Additional Space with substantially similar improvements and cost per square foot as Landlord effected to the Premises at Landlord's cost (and subject to plans and specifications reasonably approved by Landlord and Tenant).

If the parties do not agree on the Base Rent within thirty (30) days after notice of election to expand, the Base Rent shall be determined by a qualified, independent real property appraiser familiar with commercial rental values in the area. The appraiser shall be chosen by Tenant from a list of not fewer than five such individuals submitted by Landlord. If Tenant does not make the choice within five days after submission of the list, Landlord may do so. If Landlord does not submit such a list within ten (10) days after written request from Tenant to do so, Tenant may name as an appraiser any individual with the above qualifications. Within thirty (30) days after his or her appointment, the appraiser shall return his or her decision, which shall be final and binding upon both parties. The cost of the appraisal shall be borne equally by both parties. Tenant understands and agrees that Landlord will not pay brokerage fees for any space taken by Tenant under this provision.

30. OPTION TO EXTEND LEASE. If the Lease is not in default at the time each option is exercised or at the time the renewal term is to commence, Tenant shall have the option to renew this Lease for two (2) successive terms of five (5) years each, as follows:



(A) Each of the renewal terms shall commence on the day following expiration of the preceding term.

(B) The option may be exercised by written notice to Landlord given not less than one hundred twenty (120) days prior to the last day of the expiring term. The giving of such notice shall be sufficient to make the Lease binding for the renewal term without further act of the parties. Landlord and Tenant shall then be bound to take the steps required in connection with the determination of rent as specified below.

(C) The terms and conditions of the Lease for each renewal term shall be identical with the original term except for Base Rent and except that Tenant will no longer have any option to renew this Lease that has been exercised. Rent for a renewal term shall be the greater of (1) the Base Rent during the preceding original or renewal term or (2) a market rent.

(D) If the parties do not agree on the Base Rent within thirty (30) days after notice of election to renew, the Base Rent shall be determined by a qualified, independent real property appraiser familiar with commercial rental values in the area. The appraiser shall be chosen by Tenant from a list of not fewer than five such individuals submitted by Landlord. If Tenant does not make the choice within five days after submission of the list, Landlord may do so. If Landlord does not submit such a list within ten (10) days after written request from Tenant to do so, Tenant may name as an appraiser any individual with the above qualifications. Within thirty (30) days after his or her appointment, the appraiser shall return his or her decision, which shall be final and binding upon both parties. The cost of the appraisal shall be borne equally by both parties.

31. LEASE CONTINGENCY. This Lease, and all of the parties' obligations hereunder, is contingent on the completion of the purchase of the Property by Landlord pursuant to and in strict accordance with that Purchase and Sale Agreement ("Sale Agreement") and Receipt for Earnest Money dated July 5, 2006, between Distribution Plus, Inc., as "Seller", and Landlord, as "Buyer". In the event of termination of the Sale Agreement for any reason, this Lease shall automatically terminate without further action of the parties and be of no further force or effect.

32. ADDENDUM. Paragraphs 33 through 38 set forth on the attached Exhibit C are incorporated herein by reference.

LANDLORD:

IDM-Oregon, LLC
1498 SE Tech Center Place, Suite 150
Vancouver, WA 98683

By: Investment Development
Management, LLC, its Manager

By: 
Jeffrey S. Gordon, its Manager

Date: 7/28/06

TENANT:

Eurobest Food Industries, Inc.
dba DPI Northwest
11950 SW Leveton Drive
Tualatin, OR 97062

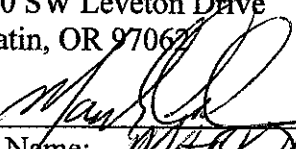
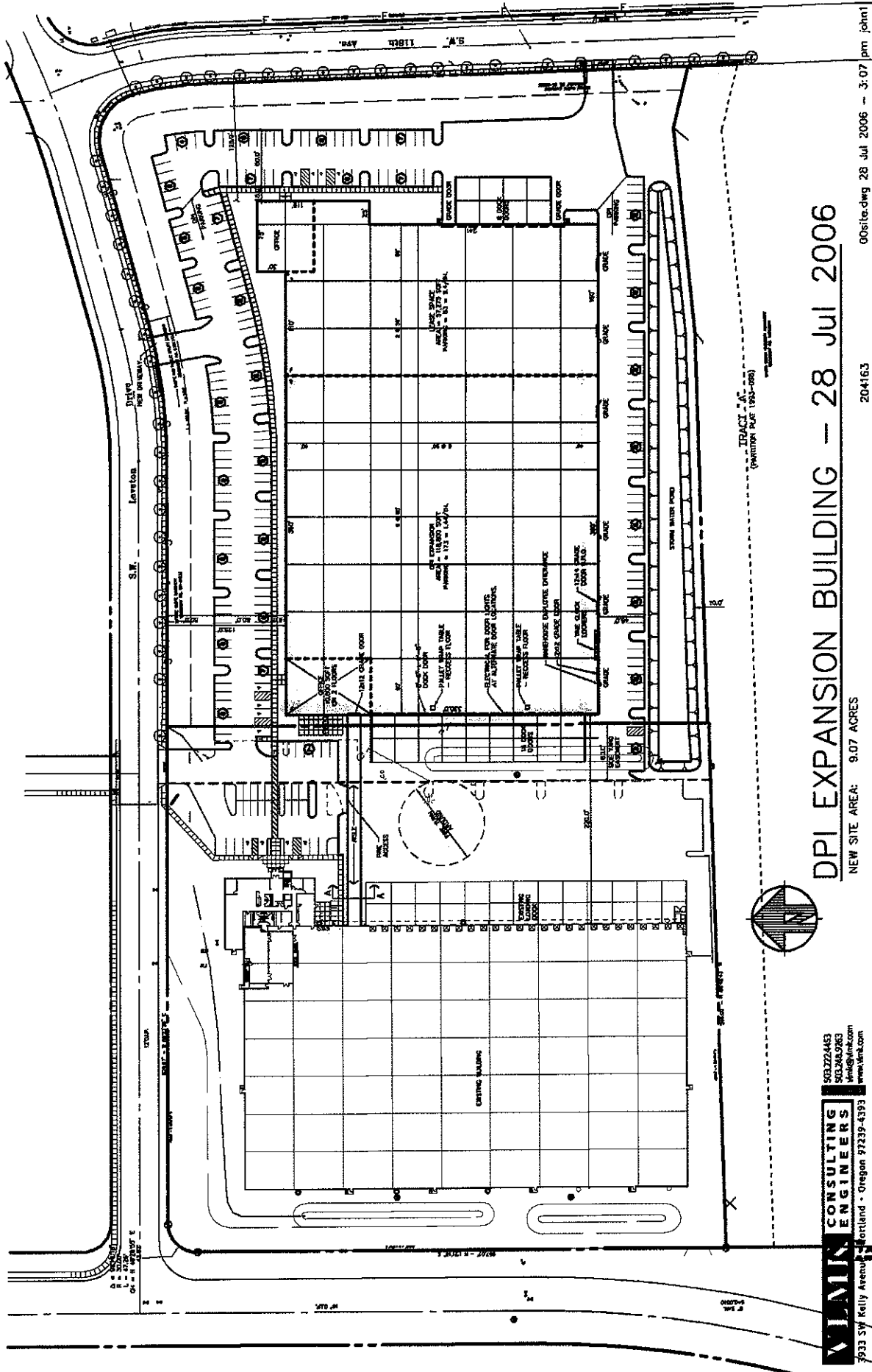
By: 
Print Name: MARK A. H. M.
Title: PRESIDENT
Date: 7/31/06





EXHIBIT A



DPI EXPANSION BUILDING - 28 Jul 2006

NEW SITE AREA: 9.07 ACRES

204163

00site.dwg 28 Jul 2006 - 3:07 pm john1

WLM CONSULTING ENGINEERS
 7933 SW Kelly Avenue, Portland, Oregon 97239-4393
 503.222.4453
 503.245.9763
 wlm@wlm.com
 www.wlm.com

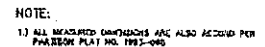


C:\Acad2004\204163\00site.dwg

Parcel 2, PARTITION PLAT NO. 1995-119, in the City of Tualatin, County of Washington and State of Oregon.

SURVEYED: SEPTEMBER 14, 1945

PARTITION PLAT NO. 1435-528
SURVEY NO. 2161



- A - REMOVED SET 8 1/2" X 2" FROM AOD WITH YELLOW PLASTIC CAP MARKED "D 1 (LAND SURVEYING, INC.)"
- C - REMOVED SET BRASS PIN WITH BRASS WASHER MARKED "D 1, INC."
- E - REMOVED FOUND AND HOLD 8 1/2" FROM AOD WITH YELLOW PLASTIC CAP MARKED "PLS 1331" SET IN PARTITION PLAT NO. 1993-882.
- X - REMOVED FOUND AND HOLD BRASS SCREW WITH BRASS WASHER MARKED "PLS 1361" SET IN SURVEY NO. 23491.
- F - REMOVED FOUND MEASUREMENT AS NOTED.

RECEIVED DATE 4-20-97

I HEREBY CERTIFY THAT THIS IS A TRUE
AND EXACT COPY OF THE ORIGINAL
PARTITION PLAT.

SCALE (1" = 100')

PLAY PREPARED BY:
O & L LAND SURVEYING INC.
8116 S.W. HUNTERS AVE.
BEAVERTON, OREGON 97008
PHONE: 541-3308
JOE MC. 1453

EXHIBIT "C"

ADDITIONAL LEASE PROVISION

PARAGRAPH 33 BUILD TO SUIT.

A. Preparation of plans. Landlord will cause the preparation of Construction Drawings (defined below) for the Premises and the Building. The Premises will have the following features and other as described in the Standard Building Specifications attached as Exhibit C-1:

1. 173 parking spaces in the parking area adjacent to the Premises.
2. 3000 amp shared between the tenants, 227/480 volt, three phase, four wire electrical service.
3. ESFR fire protection throughout.
4. 25-foot candle lighting in warehouse;
5. 6.5" reinforced concrete slab.
6. All curbs, gutters, sidewalks, landscaping, irrigation, driveways and utilities.
7. ADA compliant and constructed in compliance with all applicable laws, regulations and local ordinances.

When completed and approved, Tenant and Landlord shall sign the Site Plan (**Exhibit A**), the Standard Building Specifications (**Exhibit C-1**), the Floor Plan (**Exhibit C-2**), and the Elevation Plan (**Exhibit C-3**). The Site Plan, Standard Building Specifications, Floor Plan and Elevation Plan are herein collectively called the "Preliminary Plans." Landlord shall prepare and deliver the Preliminary Plans to Tenant no later than ten (10) days after execution of the Lease.

B. Construction Plans. Based upon the Preliminary Plans, Landlord will, through Landlord's architect and engineers, cause construction drawings for Landlord's Work (the "Construction Drawings") to be prepared and delivered to Tenant within thirty (30) days after execution of the Lease. The Construction Drawings will include all architectural, structural, civil, landscaping, mechanical and electrical engineering plans required for the issuance of permits and the completion of Landlord's Work.

C. Tenant Approval. Tenant has the right to approve the Construction Drawings. Tenant shall approve, or disapprove with comments, each intermediate set of the Construction Drawings from Landlord within five (5) business days after receipt thereof. Failure to respond within five (5) business days shall be deemed approval by Tenant. Any disapproval by Tenant shall explain such disapproval in sufficient detail for Landlord's architect and engineers to specifically respond to such disapproval, and/or modify the plans and specifications. Tenant shall approve any Construction Drawings so long as there are no material deviations from the Preliminary Plans. The parties shall work in good faith to resolve any differences they have in



regard to the Construction Drawings. If Tenant disapproves of the Preliminary Plans or Construction Drawings within five (5) business days of receipt thereof, and Landlord fails to modify the Preliminary Plans or Construction Drawings, as applicable, within ten (10) days after delivery of Tenant's disapproval notice, Tenant may terminate this Lease upon written notice to Landlord and be relieved of all further obligations hereunder.

D. Landlord's Work. Landlord shall construct a building shell for the Building and Premises substantially in accordance with the Construction Drawings and the Preliminary Plans (the "Landlord's Work"). The cost of Landlord's Work, including all fees and permits necessary for Landlord's Work (including but not limited to electrical, mechanical, and fire and life safety equipment) will be at Landlord's expense. Any fees and permits necessary for Tenant's equipment, furniture and fixtures (including but not limited to electrical, mechanical, boiler, crane, emissions, effluent, and fire and life safety equipment) shall be Tenant's sole responsibility and cost.

E. Landlord's Cost. In connection with Landlord's Work, Landlord shall pay the costs for construction of Landlord's Work, provided, however, that Tenant shall pay any construction costs attributable to: any Tenant Delay that increases the cost of Landlord's Work. The term "Tenant Delay" shall mean any delay caused by any of the following:

(1) Any delay in Landlord's receipt of all necessary permits, or in Landlord's completion of Landlord's Work, caused by Tenant, Tenant's Work, Tenant's contractors, employees, equipment suppliers or material suppliers; or

(2) Any delay caused by Tenant's Change Order, whether or not such Change Order affects Landlord's Work, including any delay caused by Landlord's preparation or Tenant's consideration of a written Change Order in response to Tenant's request whether or not Tenant elects to approve the Change Order.

F. Change Orders. Tenant may authorize changes in Landlord's Work during construction (a "Change Order") only by written instructions to Landlord's representative. **Tenant will be responsible for any Change Order Costs (as defined below) of each Change Order by promptly reimbursing Landlord within fifteen (15) days of Landlord's issuance of an invoice to Tenant.** Tenant's requested Change Orders shall be subject to Landlord's prior written approval, which shall not be unreasonably withheld or delayed. Before commencing any change, Landlord will prepare and deliver to Tenant, for Tenant's approval, the Change Order setting forth (i) the impact to schedule and (ii) the total cost of such Change Order including any associated designing and permitting costs, contractor's general conditions and five percent (5%) profit (the "Change Order Costs"). If Tenant fails to execute approval of such Change Order on a form reasonably approved by Landlord within five (5) business days, Tenant will be deemed to have withdrawn the proposed change and Landlord will not proceed to perform that Change Order. If Tenant timely approves such Change Order, Landlord will proceed to perform such Change Order and the construction schedule shall be adjusted according to the Change Order.

G. Tenant's Work. Tenant shall retain its own specialty contractors to perform the work necessary to outfit the Premises and install Tenant's fixtures and equipment (the "Tenant's Work"). The Tenant's Work shall include, but not be limited to, data cabling, telephone and data equipment, security, audio/visual equipment, furniture systems, UL labeling of equipment, crane installation, electrical wiring and hookup to Tenant's equipment. Any governmental fees and permits necessary for Tenant's fit-up for equipment, furniture and fixtures (including but not limited to electrical, mechanical, boiler, crane, emissions, effluent and fire and life safety equipment) shall be Tenant's sole responsibility and cost. Tenant's contractor(s) and Landlord's contractor(s) shall work in harmony during the period of Tenant fit-up. Tenant and Tenant's contractors shall have access to the Premises during the construction period to install cabling and for the purpose of inspecting the work in progress. Tenant's contractors shall be qualified and



appropriately licensed and shall provide evidence of liability insurance coverage, in the same amounts and including the same additional insureds, as Tenant's coverage pursuant to this Lease, prior to entry upon the Premises. Landlord's representative shall maintain control of the jobsite until the Commencement Date hereunder.

H. Substantial Completion. "Substantial Completion" shall be achieved upon the occurrence of (i) issuance by the architect of a certificate certifying substantial completion of Landlord's Work; or (ii) issuance by the City of Tualatin of permission to occupy the Premises even though the Landlord may yet be required to complete the Punchlist (as defined below) items. Tenant acknowledges that a permit or certificate allowing occupancy may not be obtainable because of Tenant's Work. Landlord shall use its best efforts to obtain permission to occupy the Premises unless prevented, delayed or inhibited by the absence, insufficiency or incompleteness of Tenant's Work. In the event Tenant's Work prevents Landlord from obtaining permission to occupy the Premises, Substantial Completion of Landlord's Work shall be deemed to have occurred when Landlord has completed Landlord's Work but for items which are prevented by Tenant's Work. In such event, Landlord shall not be required to obtain permission to occupy the Premises prior to the Commencement Date. Tenant shall make all reasonable efforts to cooperate and assist Landlord in obtaining a permission to occupy the Premises. Substantial Completion is estimated to occur on or about July 1, 2007 ("Scheduled Term Commencement Date") provided the City of Tualatin issues permits sufficient for Landlord to begin site work and foundations no later than December 1, 2006, (iv) the City of Tualatin issues any remaining permits in such time that Landlord's continued construction is not delayed. If Landlord encounters a delay in construction because of Tenant Delay, Change Order, lack of building permits, acts of God, riot, civil commotion, strikes, labor or material shortage, government delays, weather causing delay, or conditions not reasonably within Landlord's control, then the time for Substantial Completion shall be extended by the amount of time reasonably necessary to allow for such delay.

I. Inspection/Punchlist. Landlord shall notify Tenant at least five (5) days in advance to schedule inspection of Landlord's Work in preparation of the anticipated issuance of the certificate of substantial completion by Landlord's architect. Tenant shall accompany the Landlord and Landlord's architect during their inspection. Tenant and Landlord shall inspect the Building for the purpose of determining those items of work, if any, that remain unperformed or improperly performed by Landlord. Within five (5) business days after such inspection, Tenant and Landlord shall establish an itemized list ("Punchlist") and shall mutually agree on the expected timeframe for Landlord to complete each item on the Punchlist. Landlord shall use its best efforts to complete all items on the Punchlist within thirty (30) days after establishment of the Punchlist, or within such greater period as Landlord and Tenant shall mutually agree. Within five (5) days after Landlord's notice to Tenant that the Punchlist items have been completed, Tenant, Landlord, and Landlord's architect shall inspect Landlord's Work for the purpose of determining whether all such items have been satisfactorily completed. If Landlord and Tenant agree that completion has occurred, Landlord's Work shall be completed; otherwise, Tenant and Landlord shall revise the Punchlist to reflect only those remaining uncompleted items, and Landlord shall promptly complete the remaining Punchlist items. If Tenant and Landlord shall fail to agree upon any of the matters contained in this paragraph within the periods herein specified, their dispute shall be resolved by Landlord's architect.

J. Landlord's Warranty. Landlord warrants that all elements of the Building and the Premises shall be constructed using new good quality materials installed by qualified craftsmen in a good and workmanlike manner, and shall be warranted by Landlord against defect for a period of one (1) year from Substantial Completion. **LANDLORD'S RESPONSIBILITY AND LIABILITY FOR BREACH OF THE WARRANTY SHALL BE TO REPLACE OR REPAIR ANY DEFECTIVE WORK AND MATERIALS. LANDLORD SHALL NOT BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, OR SPECIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOST PROFITS AND BUSINESS**



OPPORTUNITIES, ARISING OUT OF A BREACH OF THE FOREGOING WARRANTY. Landlord shall assign to Tenant any warranties from contractors.

K. Construction Meetings. Tenant and Landlord will attend weekly job site construction meetings, and it is essential that Tenant make timely construction related decisions to insure adherence to the construction schedule. Delay by Tenant shall extend the Projected Completion Date.

PARAGRAPH 34. TENANT IMPROVEMENT ALLOWANCE.

A. Tenant Allowance. Landlord will provide Tenant an allowance of \$45.00 per square foot (the "Tenant Improvement Allowance") towards build out of the general office space (estimated to be approximately 10,800 square feet of which 5400 square feet will be on the mezzanine level of the Premises, with the Tenant Improvement Allowance to be calculated based on the actual square footage of the general office space,) plus Landlord at Landlord's cost will install an elevator from the ground floor to the mezzanine level. Tenant will reimburse Landlord within fifteen (15) days for any amounts in excess of the Tenant Improvement Allowance for Tenant's desired upgrades for the general office build out approved by a Change Order under Paragraph 33(F). If in the design and development process Landlord and Tenant agree to expand or reduce the size of the general office space from the planned 10,800 square feet, then Basic Rent will increase or decrease, accordingly, by \$0.75 per square foot per month, and the Tenant Improvement Allowance will increase or decrease, as applicable, by \$45 per square foot. If Tenant does not utilize the full Tenant Improvement Allowance, then Tenant may apply the saving to the Exhibit C-4 improvement costs and/or the warehouse lighting and emergency power generator as described below. Landlord has budgeted \$20 per square foot for construction of the mezzanine level. If the parties agree to a mezzanine level that is less than 5400 square feet, then Tenant may apply the savings to the Exhibit C-4 improvement costs and/or the warehouse lighting and emergency power generator as described below.

Landlord will contribute an additional amount not to exceed \$163,000 for the additional tenant improvement costs identified on Exhibit C-4 (DPI East Expansion Tenant Costs) attached hereto.

Landlord will contribute an additional amount not to exceed \$126,000 towards warehouse lighting and emergency power generator.

B. Tenant Improvement Plans. Landlord will prepare and Tenant shall have the right to approve under Paragraph 33(C) the Construction Drawings providing Tenant the general office build out.

PARAGRAPH 35. TENANT'S RIGHT OF FIRST OFFER. If at any time during the Lease Term Landlord decides to sell the Property, provided an event of default has not occurred and is continuing, Landlord grants to Tenant the right of first offer to purchase the Property (the "ROFO"), subject to the following terms and conditions:

A. Landlord shall provide written notice to Tenant of Landlord's intent to sell the Property (the "Offer Notice").

B. If Tenant desires to exercise the ROFO, Tenant must provide written notice (the "Election Notice") of Tenant's election to exercise the ROFO to Landlord within thirty (30) days after Landlord's Offer Notice (the "Election Period"). Should Tenant fail to give the Election Notice prior to the expiration of the Election Period, the ROFO will lapse automatically and Tenant will have no further right to purchase the Property and Landlord may sell the Property to any third party upon any terms Landlord so chooses; provided, however, that if Landlord has not



sold the Property within 180 days after the date of the Offer Notice, Tenant's rights under this Paragraph 35 will be reinstated.

C. If Tenant elects to exercise the ROFO, Landlord and Tenant will promptly negotiate in good faith and execute a purchase and sale agreement providing for the sale of the Property by Landlord to Tenant upon such terms and conditions as Landlord and Tenant may agree. Unless the parties agree otherwise, the closing of the purchase and sale transaction will occur within ninety (90) days after the date of execution of the purchase and sale agreement.

D. In the event Tenant elects to exercise the ROFO and Landlord and Tenant are unable to agree upon a purchase price for the Property within sixty (60) days after the date of the Offer Notice, then Tenant's ROFO shall expire, subject to the terms set forth below, and Landlord may sell the Property to any third party provided that the purchase price for the third party may not be less than 100% of the last purchase price offered by Landlord in writing to Tenant. If the purchase price offered the third party ("Revised Purchase Price") is less than 100% of the last purchase price offered in writing by Landlord to Tenant, then Landlord must first offer in writing ("Second ROFO") to sell the Property to Tenant at the Revised Purchase Price ("Second Offer Notice"). If Tenant desires to purchase the Property at the Revised Purchase Price, Tenant shall provide written notice to Landlord ("Second Election Notice") within ten (10) days after Landlord's Second Offer Notice of Tenant's election to purchase the Property ("Second Election Period"). Should Tenant fail to give the Second Election Notice prior to the expiration of the Second Election Period, the Second ROFO shall expire automatically and the Tenant will have no further right to purchase the Property, and Landlord shall be free to sell the Property to any third party at the Revised Purchase Price or a higher price; provided, however, that if Landlord has not sold the Property within 90 days after the date of the Second Offer Notice, Tenant's rights under this Paragraph 35 will be reinstated. If the Tenant elects to exercise the Second ROFO, then the parties shall proceed as outlined in Paragraph 35(C) above. For purposes of this Paragraph 35, Landlord shall be deemed to have "sold" the Property if Landlord and a third party have entered into a binding purchase and sale agreement for the Property even if the sale has not closed; provided, however, that closing must occur within one hundred twenty (120) days after execution of the purchase and sale agreement.

E. If Tenant timely exercises the ROFO, Tenant understands and agrees that Tenant's obligations under this Lease, including, without limitation, Tenant's obligation to pay Base Rent and any other payments required under this Lease, will continue and remain in full force and effect until the close of escrow of the purchase and sale transaction, whereupon this Lease will automatically terminate and neither Landlord nor Tenant will have any further right, liability or obligation under this Lease except as provided in Paragraphs 14 and 23.

F. Tenant understands and agrees that Landlord will not pay brokerage fees by reason of Tenant's exercise of the ROFO.

PARAGRAPH 36. LANDLORD'S RIGHT OF FIRST OFFER. If at any time during the Lease Term Tenant decides to sell the property located at 12360 SW Leveton Drive Tualatin, Oregon, 97062 ("Tenant's Property"), Tenant grants to Landlord the right of first offer to purchase the Tenant's Property (the "ROFO"), subject to the following terms and conditions:

A. Tenant shall provide written notice to Landlord of Tenant's intent to sell the Tenant's Property (the "Offer Notice").

B. If Landlord desires to exercise the ROFO, Landlord must provide written notice (the "Election Notice") of Landlord's election to exercise the ROFO to Tenant within thirty (30) days after Tenant's Offer Notice (the "Election Period"). Should Landlord fail to give the Election Notice prior to the expiration of the Election Period, the ROFO will lapse automatically



and Landlord will have no further right to purchase the Tenant's Property and Tenant may sell the Tenant's Property to any third party upon any terms Tenant so chooses; provided, however, that if Tenant has not sold the Tenant's Property within 180 days after the date of the Offer Notice, Landlord's rights under this Paragraph 36 will be reinstated.

C. If Landlord elects to exercise the ROFO, Landlord and Tenant will promptly negotiate in good faith and execute a purchase and sale agreement providing for the sale of the Tenant's Property by Tenant to Landlord upon such terms and conditions as Landlord and Tenant may agree. Unless the parties agree otherwise, the closing of the purchase and sale transaction will occur within ninety (90) days after the date of execution of the purchase and sale agreement.

D. In the event Landlord elects to exercise the ROFO and Landlord and Tenant are unable to agree upon a purchase price for the Tenant's Property within sixty (60) days after the date of the Offer Notice, then Landlord's ROFO shall expire, subject to the terms set forth below, and Tenant may sell the Tenant's Property to any third party provided that the purchase price for the third party may not be less than 100% of the last purchase price offered by Tenant in writing to Landlord. If the purchase price offered the third party ("Revised Purchase Price") is less than 100% of the last purchase price offered in writing by Tenant to Landlord, then Tenant must first offer in writing ("Second ROFO") to sell the Tenant's Property to Landlord at the Revised Purchase Price ("Second Offer Notice"). If Landlord desires to purchase the Tenant's Property at the Revised Purchase Price, Landlord shall provide written notice to Tenant ("Second Election Notice") within ten (10) days after Tenant's Second Offer Notice of Landlord's election to purchase the Tenant's Property ("Second Election Period"). Should Landlord fail to give the Second Election Notice prior to the expiration of the Second Election Period, the Second ROFO shall expire automatically and the Landlord will have no further right to purchase the Tenant's Property, and Tenant shall be free to sell the Tenant's Property to any third party at the Revised Purchase Price or a higher price; provided, however, that if Tenant has not sold the Tenant's Property within 90 days after the date of the Second Offer Notice, Landlord's rights under this Paragraph 36 will be reinstated. If the Landlord elects to exercise the Second ROFO, then the parties shall proceed as outlined in Paragraph 36(C) above. For purposes of this Paragraph 36, Tenant shall be deemed to have "sold" the Tenant's Property if Tenant and a third party have entered into a binding purchase and sale agreement for the Tenant's Property even if the sale has not closed.

F. Tenant understands and agrees that Landlord will not pay brokerage fees by reason of Tenant's exercise of the ROFO.

PARAGRAPH 37. MEMORANDUM OF LEASE. Upon a 10-day written notice to Tenant, Landlord will have the right at any time during the term of this Lease to record a memorandum of Landlord's rights under Paragraph 36 in regards to the Tenant's Property at 12360 SW Leveton Drive, Tualatin, Oregon 97062, in the real property records of the county in which the Tenant's Property is located.

PARAGRAPH 38. DEFERRAL EXCHANGE. Tenant acknowledges that IDM-Oregon, LLC is acquiring the Property and performing the construction of the Building under an Internal Revenue Code Section 1031 deferred improvement exchange with First American Exchange Company. To effectuate the exchange, Landlord will be assigning the Lease to IDM-Leveton, LLC, an Oregon limited liability company, which is a wholly owned subsidiary of First American Exchange Company. Once the exchange is completed, the Lease will be re-assigned to IDM-Oregon, LLC, or IDM-Oregon, LLC will acquire all of the outstanding membership interests of IDM-Leveton, LLC. Tenant hereby consents to the various assignments/transfers in order to cooperate with IDM-Oregon, LLC in its exchange transaction. Tenant further agrees to cooperate



in completion of said tax free exchange at no cost to Tenant.

EXHIBIT D

Tenant's Signage

To Be Agreed, Initialed By Landlord and Tenant and added to the Lease.

A handwritten signature, possibly "JB", is written over a circular stamp. The stamp contains the word "ATTN" at the bottom.

EXHIBIT C 1

DPI, NW
East Expansion
July 10, 2006

1. Basic Project Summary:

- 1.1. SITE AREA: 9.07 acres
- 1.2. BUILDING AREA: 127,200 sq ft (includes 8,400 s.f. mezzanine)
- 1.3. AUTO PARKING: 166 SP
- 1.4. TRUCK DOCK DOORS (8'-6" X 9'-0"): 18 ea.
- 1.5. TRUCK GRADE DOORS (12'-0" X 14'-0"): 3 ea.
- 1.6. TRUCK GRADE DOORS (12'-0" X 12'-0"): 2 ea.
- 1.7. BUILDING MINIMUM INSIDE CLEARANCE: 30 feet - match existing.
- 1.8. TOP OF WALL: 35'-0" - match existing.

2. SITE WORK:

- 2.1. SANITARY: Gravity to existing service in SW 118th Ave.
- 2.2. STORM: On site detention and water quality and discharge to wetlands area on south side of site.
- 2.3. WATER: From existing public system in Leveton and 118th.
- 2.4. GAS: Meter at building.
- 2.5. PHONE/DATA: Bidder designed.
- 2.6. ELECTRIC: Bidder designed.
- 2.7. PAVING: Suitable for heavy truck loading and maneuvering.
- 2.8. LANDSCAPE: As required for City of Tualatin standards.
- 2.9. WETLANDS: None on site - some coordination for storm discharge to adjacent site.
- 2.10. **PUBLIC IMPROVEMENTS (Off Site In R.O.W.):**
 - 2.10.1. WALKS: None. Walks and streetscape are existing.
 - 2.10.2. DRIVEWAYS: Add one new driveway at Leveton. Modify existing drive on 118th.
 - 2.10.3. UTILITIES: None.



2.10.4. PAVING: None.

3. CONCRETE:

- 3.1. FLOOR SLAB: 6-1/2" reinforced concrete slab with #5 at 30" o.c. each way suitable for heavy use high pile storage in racks.
- 3.2. ARMORED JOINTS: Not included (DPI option)
- 3.3. EPOXY FILLED JOINTS: Not included (DPI option)
- 3.4. LOADING DOCK: 6" thick reinforced concrete.
- 3.5. SIDEWALKS: Normal pedestrian grade from parking area to building entrance and with required connection to public way.
- 3.6. WALLS: Tilt up concrete walls with reveal feature stripes.
- 3.7. WALL ERECTION: Walls will be tilted with the crane on the slab per industry standard.

4. MASONRY: None

5. METAL:

- 5.1. COLUMNS: Roof and Mezzanine Steel tube columns.
- 5.2. ROOF: Open web steel girder and joist (wood deck).
- 5.3. METAL STUD FRAMING: Typical at all interior office walls with 5/8" sheet rock each side. Full height walls between office and warehouse/manufacturing areas.

6. CARPENTRY:

- 6.1. MEZZANINE: Metal deck on steel columns with concrete topping slab
- 6.2. ROOF: OSB wood deck with 2x6 sub-purlins at 24" on center over steel framing.

7. MOISTURE PROTECTION AND INSULATION:

- 7.1. MEMBRANE ROOF: 4-ply built up roofing with mineral cap sheet over OSB deck on 2 x 6 sub-purlins.
- 7.2. ROOF INSULATION: R-19 batt insulation between sub-purlins with white polyurethane scrim paper vapor barrier.
- 7.3. OFFICE INSULATION: R-19 insulation at walls between office and warehouse or manufacturing areas. R-11 at toilet room walls and ceiling. R-19 over all office ceilings.
- 7.4. METAL ROOFING AND SIDING: Metal canopy and framing above loading dock doors.



- 7.5. SMOKE VENTS: Only if required by AHJ with ESFR system. Heat/Smoke vent type. 4'-0" x 8'-0" (double 2'-0" x 8'-0" doors) with double dome insulated acrylic lens. Factory Mutual/UL tested and approved.

8. DOORS AND WINDOWS:

- 8.1. OFFICE ENTRY: Storefront system with anodized aluminum frames and insulated glazing.
- 8.2. EXTERIOR WINDOW SYSTEM: Anodized aluminum curtain wall system to compliment existing building.
- 8.3. EXTERIOR GLAZING: 1" insulated units with reflective coating to be similar to existing.
- 8.4. EXTERIOR PERSONNEL DOORS: Hollow Metal with metal frame.
- 8.5. TRUCK DOORS: 24 gage sectional door, Push up operation. Chain operated for height 10'-0" and above. Dock doors - 8'-6" x 9'-0". Grade Doors - 12'-0" x 12'-0" and 12'-0" x 14'-0". Angle iron armored sides.
- 8.6. INTERIOR PERSONNEL DOORS: Solid core 3' x 7' prefinished rotary birch wood doors with metal frames
- 8.7. INTERIOR TRUCK/FORKLIFT DOORS: None.

9. FINISHES:

9.1. EXTERIOR FINISHES:

- 9.1.1. WALLS/SOFFITS: Paint with Elastomeric Coating.
- 9.1.2. PERSONNEL DOORS: Painted to match building body color.
- 9.1.3. TRUCK DOORS: Painted to match selected highlight color.
- 9.1.4. FLASHING/REVEALS: Painted to match selected highlight color.

9.2. OFFICE FINISHES:

- 9.2.1. General Office Areas: Normal industrial quality construction and finishes. Metal stud walls w/ gyp board and smooth texture. Floor covering with commercial carpet or vinyl. Acoustic ceiling with T bar. Fluorescent lighting - 50 to 70 foot candles.
- 9.2.2. Kitchen: Standard cabinets.
- 9.2.3. Appliances: Not included - to be handled by DPI.



- 9.2.4. Toilet rooms: Sheet vinyl flooring. Standard accessories (paper dispensers, ADA hardware, etc.)

9.3. WAREHOUSE/MANUFACTURING FINISHES: (In DPI Space only)

- 9.3.1. EXTERIOR WALLS: Unpainted.
- 9.3.2. FLOOR: Sealed Concrete (bondbreaker) – Ashford Hardener not included (DPI option)
- 9.3.3. FLOOR JOINTS: Not included (DPI option)

10. SPECIALTIES:

10.1. DOCK EQUIPMENT:

- 10.1.1. Dock Levelers (pit type): 6'-0" x 8'-0", 30,000 lb capacity. Not included (DPI option)
- 10.1.2. Dock Shelters and Seals: Not included (DPI option)
- 10.1.3. Dock Lights: Not included (DPI option)
- 10.1.4. Pallet Wrap Foundations: Not included (DPI option)
- 10.1.5. Covered Forklift Aisle between buildings: Not included (DPI option)

11. MECHANICAL: (Bidder-designed)

- 11.1. WAREHOUSE: Freeze protection heat (15 BTU per square foot with 45 degree thermostat) using gas fired unit heaters.
- 11.2. OFFICE: Roof mounted standard gas fired HVAC units.
- 11.3. SANITARY SEWER: Locate under slab to serve all areas with potential need.
- 11.4. DOMESTIC WATER: Located overhead, directly above sanitary sewer with "T" valve at each potential tenant location.

12. ELECTRICAL: (Bidder-designed)

- 12.1. SERVICE TO BUILDING: 3,000 amps (2,000 amps for DPI space)
- 12.2. ELECTRICAL ROOM: TBD
- 12.3. WAREHOUSE LIGHTING: 25 F.C. in open warehouse.
- 12.4. UPDGRADE METAL HALIDE LIGHTS TO PULSE START OR CHANGE TO T-5'S: Not included (DPI option)
- 12.5. RACK AISLE OCCUPANY SENSORS: Not included (DPI option)
- 12.6. OFFICE LIGHTING: 50 to 70 foot candles as determined.



12.7. EXTERIOR LIGHTING: Wall mounted metal halide lights.

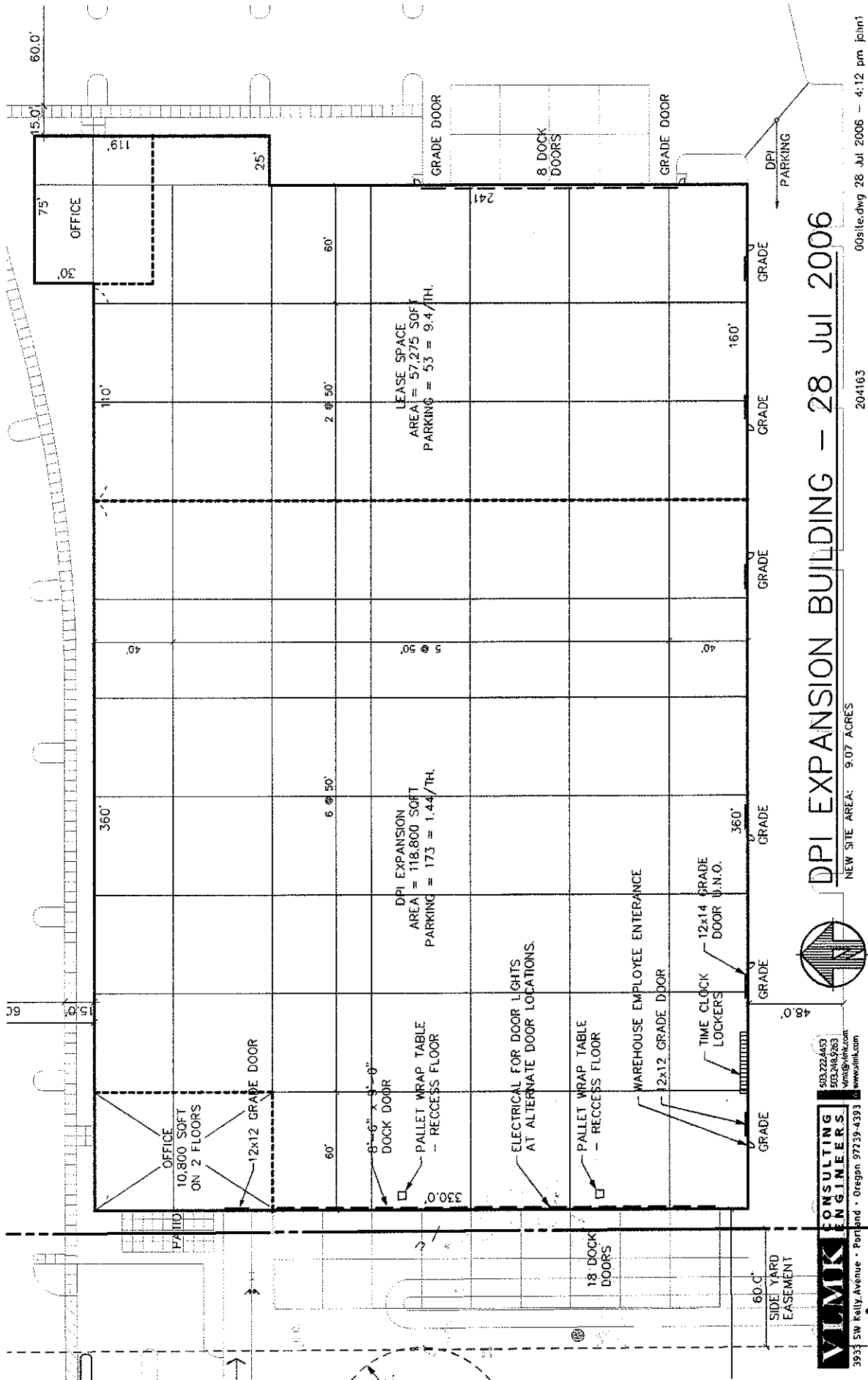
12.8. WAREHOUSE DISTRIBUTION: Outlets at every other dock door - Not included (DPI option)

13. FIRE PROTECTION: (Bidder-designed)

13.1. SPRINKLER SYSTEM: ESFR sprinkler system for high piled storage.



EXHIBIT C 2



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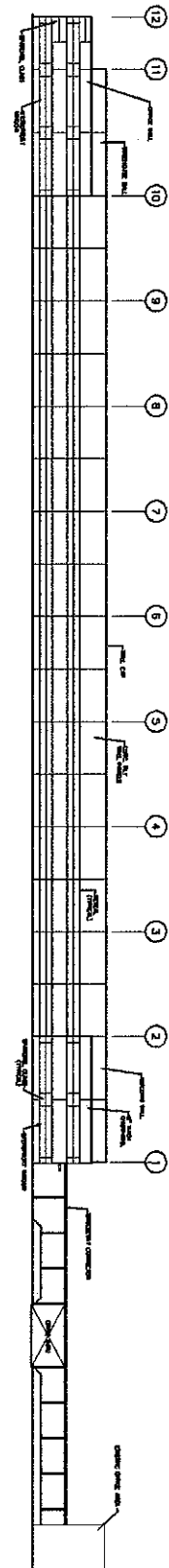
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NEW SITE AREA: 9.07 ACRES

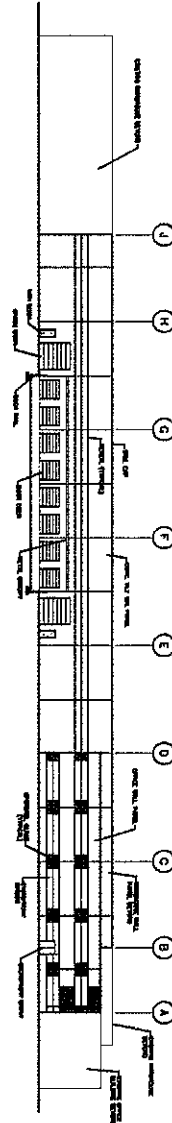
VLMK CONSULTING ENGINEERS
3933 SW Kelly Avenue • Portland • Oregon 97239-4393
503.722.4453
503.748.2763
vlmk@vlmk.com
www.vlmk.com

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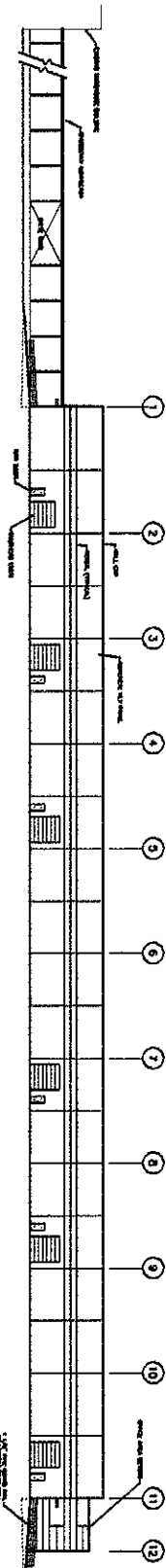




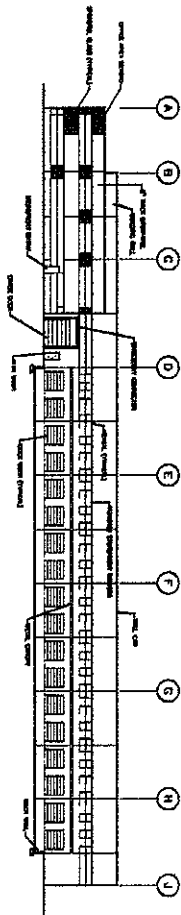
NORTH ELEVATION



8 EAST ELEVATION
A2



⑥ SOUTH ELEVATION



WEST ELEVATION



7/27/06

DPI EAST EXPANSION

TENANT COSTS

1 FORKLIFT CANOPY

DEMO/REMOVE LANDSCAPING/A.C. PAVING	12,470 S.F.	2.50	31,175.00
FINISH GRADING SITE	12,470 S.F.	0.08	997.60
BUILDING LANDSCAPE & IRRIGATION	7,860 S.F.	1.55	12,183.00
PLACE TOPSOIL 6.0 IN.	393 C.Y.	6.50	2,554.50
BERM NEAR FORKLIFT CANOPY	450 C.Y.	8.00	3,600.00
SAWCUT EXISTING A.C.	600 L.F.	1.00	600.00
A.C. PATCH AT FORKLIFT CANOPY	450 S.F.	4.00	1,800.00
6" CONCRETE PAVING	3,375 S.F.	2.20	7,425.00
CONCRETE PAVING REINFORCING	3,375 S.F.	0.75	2,531.25
6" BASE ROCK UNDER CONCRETE PAVING	84 C.Y.	24.00	2,025.00
STRUCTURAL EXCAVATION	4,050 S.F.	0.50	2,025.00
6 X 6 PAD FOOTINGS	22 EA.	375.00	8,250.00
CANOPY ROOF STRUCTURE	3,150 S.F.	9.50	29,925.00
24 G. CAP FLASHING/GRAVEL STOP	450 L.F.	6.00	2,700.00
24 G. GUTTER BLDG	225 L.F.	10.00	2,250.00
24 G. GUTTER DOWN SPOUT	150 L.F.	10.00	1,500.00
ROOF COLUMNS: STEEL	352 L.F.	45.00	15,840.00
CANOPY ROOF BEAMS	154 L.F.	50.00	7,700.00
PAINT CANOPY STRUCTURE	3,150 S.F.	1.00	3,150.00
PAINT COLUMNS	352 L.F.	5.00	1,760.00
OUTSIDE STORM SEWER 8" & UNDER	275 L.F.	32.00	8,800.00
RAIN DRAIN BOOTS	10 EA.	750.00	7,500.00
CANOPY SPRINKLERS	3,150 S.F.	2.50	7,875.00
CANOPY LIGHTING	3,150 S.F.	2.00	6,300.00

SUBTOTAL 170,466

TOTAL W/ FEE & INSURANCE \$ 180,905

2 DOCK EQUIPMENT

DOCK LEVELERS	18 EA.	2,870.00	51,660.00
ELECTRICAL FOR LEVELERS	18 EA.	500.00	9,000.00
DOCK PITS	18 EA.	1,200.00	21,600.00
DOCK LIGHTS	10 EA.	160.00	1,600.00
DOCK ELECTRICAL - OUTLETS BETWEEN DOC	10 EA.	500.00	5,000.00
PALLET WRAP TABLE	2 EA.	1,500.00	3,000.00

SUBTOTAL 91,860

TOTAL W/ FEE & INSURANCE \$ 97,485

3 MEZZANINE SIZE

MEZZANINE STRUCTURE	- S.F.	16.00	0.00
TOPPING SLAB	- S.F.	2.75	0.00
MEZZANINE REBAR	- S.F.	0.60	0.00

SUBTOTAL 0



				TOTAL W/ FEE & INSURANCE	\$	-
4 WAREHOUSE LIGHTING UPGRADE						
WAREHOUSE LIGHTING	UPGRADE	118,800 S.F.	0.25	29,700.00		
				SUBTOTAL		29,700
				TOTAL W/ FEE & INSURANCE	\$	31,519
* ANY AND ALL PGE AVAILABLE ENERGY CREDITS WILL BE PURSUED TO REDUCE AND/OR ELIMINATE THIS LINE ITEM						
5 CAULK FLOOR JOINTS						
WAREHOUSE FLOOR EPOXY		5,230 L.F.	2.00	10,460.00		
				SUBTOTAL		10,460
				TOTAL W/ FEE & INSURANCE	\$	11,101
6 ASHFORD FLOOR HARDENER						
ASHFORD SEALER		118,800 S.F.	0.12	14,256.00		
				SUBTOTAL		14,256
				TOTAL W/ FEE & INSURANCE	\$	15,129
7 MISCELLANEOUS						
6 FT PUNCHED WINDOWS (2 EA X 20'/EA)		- S.F.	31.00	0.00		
PATIO CONCRETE		625 S.F.	3.00	1,875.00		
TRUCK PAVING SIDEWALK		1,100 S.F.	5.25	5,775.00		
POURED IN PLACE CONC. CURBS		400 L.F.	9.50	3,800.00		
DOOR OPERATOR		1 EA.	1,400.00	1,400.00		
LOCKERS		- EA.	125.00	0.00		
Z PROTECTORS AT DOOR JAMBS		40 EA.	175.00	7,000.00		
				SUBTOTAL		19,850
				TOTAL W/ FEE & INSURANCE	\$	21,066
						<hr/>
TOTAL TENANT COSTS					\$	357,204
DELETE LIGHTING UPGRADE COSTS (ITEM 4)					\$	(31,519)
REVISED TOTAL					\$	325,685
						<hr/>
50% SHARED COSTS FOR IDM AND DPI					\$	162,842

ITEMS NOT INCLUDED

ARMOR FLOOR JOINTS (\$5 - \$6 / L.F.)
 DOCK SEALS & SHELTERS (\$1,000 / EA. FOR DOCK SEALS)
 OCCUPANCY SENSORS AT RACK AISLES
 WAREHOUSE POWER DISTRIBUTION FOR FORKLIFT CHARGES
 AND EQUIPMENT CONNECTIONS

