

# COMMERCIAL LEASE AGREEMENT

## Garden Grove Market - Portland, Oregon

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### PAGE 1: LEASE SUMMARY & PARTIES

#### COMMERCIAL LEASE AGREEMENT

This Commercial Lease Agreement ("Agreement") is entered into on July 1, 2020, between the parties identified below:

**LANDLORD:** Cascade Property Holdings LLC

121 SW Morrison Street, Suite 1800

Portland, OR 97204

Phone: (503) 555-6000

Tax ID: 93-7654321

**TENANT:** FreshMart Grocery Chain

1200 Corporate Drive

Denver, CO 80202

Phone: (303) 555-4321

Tax ID: 87-9876543

**PROPERTY ADDRESS:** 1455 NE Sandy Boulevard

Portland, OR 97232

**LEASE TERM:**

- **Commencement Date:** July 15, 2020
- **Expiration Date:** July 10, 2025
- **Initial Term:** 4 years and 360 days
- **Total Square Footage:** 22,800 square feet

**MONTHLY BASE RENT:** \$52,250.00 per month (\$27.50 per square foot annually)

**SECURITY DEPOSIT:** \$104,500.00 (equivalent to two months' base rent)

This Agreement shall be governed by the laws of the State of Oregon and the City of Portland municipal codes.

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## PAGE 2: PROPERTY DETAILS

**PROPERTY DESCRIPTION:** The leased premises consists of a renovated grocery store building located in the vibrant Kerns neighborhood of Portland. The property features eco-friendly design elements, energy-efficient systems, and is situated in a walkable community with excellent public transportation access.

**TOTAL SQUARE FOOTAGE BREAKDOWN:**

- **Total Retail Space:** 22,800 square feet
- **Produce Department:** 4,104 square feet
- **Dairy Section:** 2,508 square feet
- **Meat Department:** 3,648 square feet
- **Packaged Goods:** 6,840 square feet
- **Storage/Office/Café/Other:** 5,700 square feet

**PERMITTED USE:** The premises shall be used exclusively for retail grocery operations, including the sale of organic and conventional food products, beverages, prepared foods, and related merchandise. Small café operation permitted for prepared food consumption on premises.

**PARKING SPECIFICATIONS:**

- **Customer Parking:** 91 spaces (4 spaces per 1,000 sq ft)
- **Employee Parking:** 12 dedicated spaces
- **Handicap Accessible:** 6 spaces
- **Bicycle Parking:** 30 covered bike rack spaces
- **Loading Area:** 2 designated loading spaces with time restrictions
- **Cart Storage:** Weather-protected storage for 150 shopping carts

**PROPERTY FEATURES:** Skylights for natural lighting, reclaimed wood flooring, energy-efficient refrigeration systems, rainwater collection system, 12-foot ceilings, and integrated sound system. Building meets Portland's green building standards.

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## PAGE 3: FINANCIAL TERMS

**BASE RENT SCHEDULE:**

- **Years 1-2:** \$52,250.00/month (\$27.50/sq ft annually)
- **Years 3-4:** \$54,862.50/month (\$28.88/sq ft annually)

- **Year 5:** \$57,475.00/month (\$30.25/sq ft annually)

**RENT ESCALATION:** Base rent increases by 5% every two years, with the first increase effective July 15, 2022.

**SECURITY DEPOSIT:** \$104,500.00 held in interest-bearing escrow account with Columbia River Bank. Interest at prime rate minus 1% accrues to Tenant benefit. Deposit refundable within 30 days of lease termination, less any damages.

**COMMON AREA MAINTENANCE (CAM) CHARGES:** \$5.25 per square foot annually = \$9,975.00  
monthly CAM includes:

- Parking area maintenance and striping
- Landscaping and tree maintenance
- Exterior building maintenance
- Common area utilities
- Snow and ice removal services
- Property management fees

**ADDITIONAL COSTS:**

- **Property Taxes:** Tenant responsible for increases over base year 2020 (\$12,400)
- **Utilities:** Tenant responsible for all interior utilities
- **Waste Management:** \$475/month including recycling and composting services

**SUSTAINABILITY INCENTIVE:** 5% rent reduction if Tenant achieves LEED Gold certification for operations

**LATE PAYMENT PENALTY:** 6% annual interest on overdue amounts plus \$60 administrative fee if payment received after the 5th of each month.

**ANNUAL RECONCILIATION:** CAM charges reconciled annually by March 31st. Tenant billed for overages or credited for under-charges within 60 days of reconciliation.

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## **PAGE 4: TENANT RESPONSIBILITIES**

**MAINTENANCE OBLIGATIONS:** Tenant shall maintain the interior of the premises in good condition, including:

- All interior surfaces, fixtures, and equipment
- Plumbing fixtures and interior water systems

- Electrical systems and energy-efficient lighting
- HVAC system maintenance and eco-friendly filter replacement
- Refrigeration equipment and energy monitoring
- Daily janitorial services and deep cleaning
- Pest control using sustainable methods

**INSURANCE REQUIREMENTS:** Tenant must maintain the following insurance coverage:

- **General Liability:** \$2,000,000 per occurrence, \$4,000,000 aggregate
- **Property Insurance:** Full replacement cost including sustainable fixtures
- **Workers' Compensation:** As required by Oregon law
- **Business Interruption:** 12 months minimum coverage
- **Environmental Liability:** \$750,000 coverage for sustainable operations
- **Food Contamination:** \$1,000,000 coverage

Landlord must be named as additional insured. Annual certificate updates required with 30-day renewal notice.

**UTILITY RESPONSIBILITIES:** Tenant responsible for all utilities serving the premises:

- Electricity (with renewable energy option encouraged)
- Natural gas for heating and equipment
- Water and sewer services
- Telecommunications and high-speed internet
- Waste management including composting program

**OPERATING HOURS:**

- **Monday-Sunday:** 7:00 AM to 10:00 PM
- **Holiday Hours:** As posted, minimum 8 hours on major holidays
- **Extended Hours:** Permitted during harvest seasons with notice
- **Early Access:** 6:00 AM permitted for deliveries and restocking

**COMPLIANCE REQUIREMENTS:** Tenant must maintain all required licenses including Oregon Health Authority permits, City of Portland business licenses, and any organic certification requirements.

**LANDLORD MAINTENANCE OBLIGATIONS:** Landlord shall maintain structural elements and building systems:

- Building structure, foundation, and roof systems
- Exterior walls and sustainable building envelope
- Parking lot maintenance and eco-friendly sealants
- Landscaping with native plant maintenance
- Building HVAC systems (major repairs over \$1,500)
- Rainwater collection system maintenance

**PROPERTY MANAGEMENT COMPANY: Portland Commercial Management Group**

Contact: Sarah Thompson, Property Manager

Office: (503) 555-7500

Mobile: (503) 555-7501

Email: [s.thompson@pcmgroup.com](mailto:s.thompson@pcmgroup.com)

Office Hours: Monday-Friday, 8:00 AM - 5:00 PM

**EMERGENCY MAINTENANCE PROCEDURES:**

- **Emergency Hotline:** (503) 555-24/7 (2447) - Available 24/7
- **Primary Emergency Contact:** David Wilson, Maintenance Supervisor
- **Emergency Mobile:** (503) 555-7510
- **Response Time:** 1 hour for emergencies, 4 hours for non-emergencies

**BUILDING MANAGEMENT POLICIES:**

- Monthly sustainability audits and energy reporting
- Quarterly building system inspections
- Semi-annual parking lot maintenance
- Annual roof and rainwater system inspection
- Seasonal landscaping maintenance with organic methods

**LANDLORD CONTACT INFORMATION: Primary Contact:** Jennifer Park, Portfolio Manager

**Phone:** (503) 555-7505

**Email:** [j.park@cascadeproperties.com](mailto:j.park@cascadeproperties.com)

**Sustainability Coordinator: Contact:** Michael Green, Sustainability Manager

**Phone:** (503) 555-7507

**Email:** [m.green@cascadeproperties.com](mailto:m.green@cascadeproperties.com)

**Legal/Administrative Contact: Address:** Cascade Property Holdings LLC

121 SW Morrison Street, Suite 1800

Portland, OR 97204

**Legal Counsel:** Pacific Northwest Legal Group

**Phone:** (503) 555-9900

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## PAGE 6: RENEWAL TERMS & CONTACT INFORMATION

**LEASE RENEWAL OPTIONS:** Tenant has the right to renew this lease for one additional 5-year term under the following conditions:

- Written notice of intent to renew must be provided 6 months prior to lease expiration (by January 10, 2025)
- Tenant must be current on all rent and charges
- No material defaults during initial lease term
- Continued commitment to sustainable operations

### RENEWAL TERMS:

- **Notice Period:** 180 days written notice required
- **Rent Determination:** Market rate with 5% cap on annual increases
- **Sustainability Incentives:** Continued eco-friendly rent reductions available
- **Lease Terms:** Updated to reflect current environmental standards
- **Security Deposit:** May be reduced based on excellent payment history

### EARLY TERMINATION CLAUSES:

- **Tenant Early Termination:** Permitted after Year 3 with 9 months notice and penalty equal to 4 months base rent
- **Environmental Clause:** Either party may terminate if building fails to meet updated green standards
- **Condemnation:** Either party may terminate if more than 25% of premises affected
- **Force Majeure:** Extended force majeure clause includes climate-related events

### KEY CONTACT INFORMATION:

**PRIMARY PROPERTY MANAGER:** Sarah Thompson, Property Manager

Portland Commercial Management Group

Phone: (503) 555-7500

Mobile: (503) 555-7501

Email: [s.thompson@pcmgroup.com](mailto:s.thompson@pcmgroup.com)

**EMERGENCY MAINTENANCE:** David Wilson, Maintenance Supervisor

24/7 Emergency Hotline: (503) 555-24/7 (2447)

Mobile: (503) 555-7510

Email: [d.wilson@pcmgroup.com](mailto:d.wilson@pcmgroup.com)

**LANDLORD REPRESENTATIVE:** Jennifer Park, Portfolio Manager

Cascade Property Holdings LLC

Phone: (503) 555-7505

Email: [j.park@cascadeproperties.com](mailto:j.park@cascadeproperties.com)

**SUSTAINABILITY COORDINATOR:** Michael Green, Sustainability Manager

Phone: (503) 555-7507

Email: [m.green@cascadeproperties.com](mailto:m.green@cascadeproperties.com)

**LEASE ADMINISTRATION:** Emma Rodriguez, Lease Specialist

Phone: (503) 555-7503

Email: [e.rodriguez@cascadeproperties.com](mailto:e.rodriguez@cascadeproperties.com)

**RENT PAYMENT ADDRESS:** Cascade Property Holdings LLC

Attention: Rent Processing

P.O. Box 97000

Portland, OR 97207

**LEGAL NOTICES ADDRESS:** Cascade Property Holdings LLC

121 SW Morrison Street, Suite 1800

Portland, OR 97204

Attention: Legal Department

**LOCAL PROPERTY OFFICE:** Garden Grove Market Property Office

1455 NE Sandy Boulevard, Unit B

Portland, OR 97232

Phone: (503) 555-7520

Hours: Monday-Friday, 9:00 AM - 3:00 PM

**TENANT CONTACT FOR NOTICES:** FreshMart Grocery Chain

1200 Corporate Drive

Denver, CO 80202

Attention: Pacific Northwest Regional Manager

This lease agreement has been executed on the date first written above.

**SIGNATURES:** [Signature blocks for both parties with date and witness lines]