

**FIRST AMENDMENT TO LEASE AGREEMENT
TDJC LLC/Yamhill County**

THIS FIRST AMENDMENT TO LEASE AGREEMENT (“Amendment #1”) is made effective May 1, 2018, or the last day set forth adjacent to the signatures of the parties below, whichever is later, between TDJC LLC (“LANDLORD”), an Oregon limited liability company and Yamhill County, a political subdivision of the State of Oregon acting by and through its Health and Human Services (“TENANT”) for TENANT to lease real property and related improvements located in McMinnville, Oregon for the housing of individuals and families with mental health and/or substance use disorders by the TENANT.

RECITALS:

A. TENANT and LANDLORD are parties to that certain lease agreement dated as of May 23, 2017 (the “Underlying Agreement”), pursuant to which TENANT leases real property and related improvements located in McMinnville, Oregon for the housing of individuals and families with mental health and/or substance use disorders by the TENANT. The Underlying Agreement is memorialized in Yamhill County records as Board Order 17-170.

A. LANDLORD and TENANT now desire to amend the Underlying Agreement upon the terms and conditions as more particularly set forth herein below.

B. Capitalized terms not defined herein shall have the meanings attributed to such terms in the Underlying Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein below and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, LANDLORD and TENANT, intending legally to be bound, hereby agree as follows:

1. Section 1 of the Underlying Agreement is hereby amended to include the following:

“1.6 **Systems Development Charges:** Effective May 1, 2018, and each month thereafter during the term of this Lease Agreement, Tenant shall pay an additional \$500.00 per month, as a separate charge and not as additional rent, towards the non-waiver of Systems Development Charges from the City of McMinnville, Oregon (“SDC Charges”). In the event Tenant terminates the Lease Agreement pursuant to Section 2.2 Tenant shall have no further liability for payment of SDC Charges. In no event shall Tenant’s payment of SDC Charges exceed \$50,000.00.”

2. The balance of the Underlying Agreement remains unchanged.

3. Ratification. Except as otherwise expressly modified by the terms of this Amendment #1, the Underlying Agreement shall remain unchanged and continue in full force and effect. All terms, covenants and conditions of the Underlying Agreement not expressly modified herein are hereby confirmed and ratified and remain in full force and effect, and, as further amended hereby, constitute valid and binding obligations of Contractor enforceable according to the terms thereof.

4. Authority. County and Contractor and each of the persons executing this Amendment #1 on behalf of County and Contractor hereby covenants and warrants that: (i) such party has full right and

authority to enter into this Amendment #1 and has taken all action required to authorize such party (and each person executing this Amendment #1 on behalf of such party) to enter into this Amendment #1, and (ii) the person signing on behalf of such party is authorized to do so on behalf of such entity.

5. Binding Effect. All of the covenants contained in this Amendment #1 shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives and permitted successors and assigns.

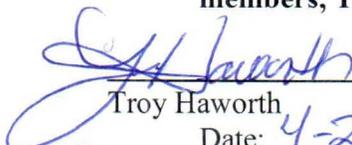
6. Counterparts. This Amendment #1 may be executed in multiple counterparts, each of which shall be an original, but all of which shall constitute one and the same Amendment #1.

7. Recitals. The foregoing recitals are intended to be a material part of this Amendment #1 and are incorporated herein by this reference.

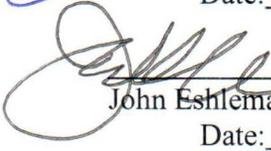
IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed on the date indicated by their duly authorized officials, this Amendment #1 in duplicate, each of which shall be deemed an original on the date executed by all parties.

DONE the last date set forth adjacent to the signatures of the parties below.

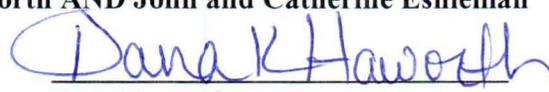
LANDLORD: TDJC, LLC, an Oregon limited liability company acting by and through its members, Troy and Dana Haworth AND John and Catherine Eshleman



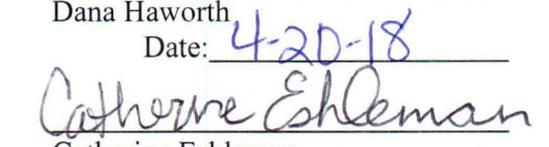
Troy Haworth
Date: 4-20-18



John Eshleman
Date: 4-20-18



Dana Haworth
Date: 4-20-18



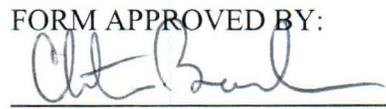
Catherine Eshleman
Date: 4-20-18

Taxpayer Identification Number: on file

TENANT: Yamhill County, a political subdivision of the State of Oregon.



MARY STARRETT, Chair
Board of Commissioners
Date: 5/3/18

FORM APPROVED BY:


CHRISTIAN BOENISCH
County Counsel
Date: 5/1/18

Accepted by Yamhill County
Board of Commissioners on