

PORT OF NEWPORT COMMISSION EXECUTIVE SESSION

Thursday, October 23, 2025, 9:00 a.m.

Microsoft Teams

This will be a virtual meeting, which means you can view the livestream of this meeting at <https://www.portofnewport.com/2025-10-23-commission-2025-october-23-2025-9-00-a-m>

I. Executive Session Pursuant to ORS 192.660(2)(h) – Legal Counsel

The Port of Newport Board of Commissioners will go into Executive Session. All discussions are confidential and those present may disclose nothing from the Session. Representatives of the news media are allowed to attend Executive Sessions, as provided by ORS 192.660(4), but must not disclose any information discussed. No Executive Session may be held for the purpose of taking any final action or making any final decision. Executive Sessions are closed to the public.

II. Adjournment

PORT OF NEWPORT COMMISSION SPECIAL MEETING

Thursday, October 23, 2025
Immediately following the Executive Session
Microsoft Teams

This will be a virtual meeting, which means you can view the livestream of this meeting at <https://www.portofnewport.com/2025-10-23-commission-2025-october-23-2025-9-00-a-m>

Anyone interested in making virtual public comment must complete the form on our website and submit it by 11:00 a.m. on Wednesday, October 22, 2025.

I. Call to Order

II. Changes to the Agenda

III. Public Comment (3-minute limit per person)

IV. New Business

A. Approval of Amendment to Rogue Lease – *Miranda*.....Page 3

B. Approval of Lease with West Coast Seafood, LLC – *Miranda*Page 7

V. Adjournment



STAFF REPORT

DATE: *October 21, 2025*

RE: *Rogue Brewery Fifth Amendment to Lease Agreement and Lease to West Coast Seafood LLC*

TO: *Port of Newport Board of Commissioners*

ISSUED BY: *Paula J. Miranda, Executive Director*

BACKGROUND

The current term of Rogue lease to the current distillery building expires on June 30, 2027. Rogue is moving away from the distillery business and requested assistance from the Port on finding new tenants to the building.

The Port is currently working with two tenants to take approximately 4,800 square feet of the building. One of the tenants wants to move forward as soon as possible while the Port is still negotiating with the other prospect tenant, which most likely will start their lease on December 1.

Meanwhile, we are ready to move forward with a 2,400 square feet lease to West Coast Seafood, LLC. In order to do so, we will need to release Rogue from that portion of the building.

The Amendment to the Rogue Lease and the new Lease to West Coast Seafood, LLC shall run simultaneously.

RECOMMENDATION

I recommend a motion to authorize the Executive Director to execute the attached Fifth Amendment to Lease Agreement and the lease with West Coast Seafood, LLC as presented.

FIFTH AMMENDMENT TO COMMERCIAL LEASE AGREEMENT

DATE: _____

LESSOR: Port of Newport
A Port District duly authorized and existing under ORS 777.
600 SE Bay Boulevard
Newport, OR 97365

LESSEE: Oregon Brewing Company
An Oregon Corporation
2320 SE Marine Science Drive
Newport, OR 97365

This Fifth Amendment (the “Fifth Amendment”) to the Commercial Lease Agreement dated April 25, 2006 (the “Lease”) is by and between Oregon Brewing Company, an Oregon corporation and Rogue River Brewing Company, an Oregon corporation (collective “Lessees”) and the Port of Newport, a municipal corporation of the State of Oregon (“Lessor”).

Lessor and Lessees previously amended the Lease on July 1, 2008, March 25, 2014, November 21, 2019, and September 1, 2020.

Lessor and Lessee wish to amend the Lease to remove the most Northeast portion of the building from the Premises, as depicted in the attached Exhibit A, which measures 2,400 square feet of the total building.

Lessor shall reduce its monthly rent by Two Thousand Four Hundred and 00/100 Dollars monthly (\$2,400).

Lessee shall be responsible for paying the 2025/26 property taxes and Lessor shall prorate such amount as to the execution date of this Fifth Amendment.

NOW THEREFORE, the Lease is amended as follows:

Premises: 2,400 square feet shall be removed from the Premises, as shown in Exhibit A attached.

Rent: Shall be reduced by \$2,400 (Two Thousand Four Hundred) Dollars, effective as of the date of this Fifth Amendment.

Taxes: Lessee shall be responsible for the entire 2025/2026 taxes. Lessee will be credited for a prorated amount based on assessor’s estimate of \$3,150 (Three Thousand One Hundred Fifty Dollars) for the removed Premises.

Any previous liability due to Lessee's previous occupancy shall be borne solely by Lessee, whether through purchase of additional insurance coverage or reimbursement to Lessor of any additional cost to Lessor.

A default under this Fifth Amendment to Lease shall be deemed a default of the underlying Lease.

Except as expressly modified by this Fifth Amendment, all other provisions of the Lease remain in full force and effect as written.

In witness, Lessor and Lessee have executed the Fifth Amendment to Lease as of the day, month and year first written above.

LESSOR: Port of Newport

LESSEE: Oregon Brewing Company

By:
Title:

By:
Title:

LESSEE: Rogue River Brewing Company

By:
Title:

EXHIBIT A



COMMERCIAL BUILDING LEASE

THIS LEASE made _____, between PORT OF NEWPORT, a Port district and municipal corporation existing under the laws of the State of Oregon, hereinafter referred to as "Lessor" and West Coast Seafood LLC, hereinafter referred to as "Lessee".

1. DEMISE AND DESCRIPTION OF LEASED PREMISES.

Lessor hereby grants Lessee and Lessee hereby accept from Lessor an approximate 2,400 square feet, which is a portion of a building located at 2160 SW Marine Science Drive, Ste A, Newport, OR 97365, which also includes an outdoor frontage of 20' x 60', hereinafter referred to as the "Leased Premises":

See attached drawing, as Exhibit A.

2. TERM.

The term of this Lease shall be for a Five (5) year term. The term shall commence on _____, 2025 and shall end on _____, 2030. Monthly rental payments shall be due within ten (10) business days of receipt of billing.

3. RENEWAL OPTION.

3.1 If this lease is not in default at the expiration of the existing five (5) year term, Lessor may grant a renew option according to Section 3.3 below for an additional five (5) year term and each consecutive year thereafter, as long as this agreement is not in default and not to exceed more than five (5) years.

3.2 Each of the renewal terms shall commence on the day following expiration of the preceding term.

3.3 The option to renew shall be exercised only by written notice to Lessor given not less than sixty (60) days prior to the last day of the expiring term.' Only upon written confirmation from Lessor the lease shall be binding for the renewal term without further act of the parties. Lessor and Lessee shall then be bound to take the steps required in connection with the determination of rent as specified below without further act of the parties.

4. USE OF LEASED PREMISES.

Lessee is hereby granted the right and privilege, and exclusive use of Leased Premises for the purpose of operating seafood processing facility and other related services. Lessee shall not offer other products or services unrelated to Lessee's current business without the express written consent of Lessor. Said consent, if granted, can be revoked at any time for any reason whatsoever. Such operation shall be conducted on a non-discriminatory basis, in accordance with and subject to the terms, conditions and requirements imposed by law or by the Port of Newport, City of Newport, or Lincoln County.

5. CONDITION OF PREMISES.

5.1 Lessee agrees to accept the premises as is for the purpose of use as described in Section 4 above.

5.2 Lessee shall not make any substantive structural changes, alterations or additions to the premises within which the business hereunder is operated without the written consent of the Lessor first in advance obtained. Any changes, alterations or additions to such space shall be at Lessee's sole cost and expense. All improvements made in or to the space occupied by Lessee pursuant to the provisions hereof during the term of this lease shall become at once the property of Lessor, unless otherwise agreed upon in writing. Lessee expressly acknowledges and agrees that it will have no right to remove and shall not remove any such improvements at any time during or after the term of this lease, unless otherwise agreed upon in writing.

5.3 If, at any time after the execution of this lease, the space occupied by Lessee pursuant to the terms hereof, or any portion of such space, should be damaged or destroyed by any casualty to the extent that Lessee is unable to continue the operation of its business herein to the extent practicable from the standpoint of good business, either party may terminate this lease agreement upon ten days' written notice to the other.

5.4 Lessee shall not cause or permit any Hazardous Substance to be spilled, leaked, disposed of or otherwise released on or under the leasehold. Lessee may use or otherwise handle on the leasehold only those hazardous substances typically used in the prudent and safe operation of the use specified in Section 4 above. Lessee may not store any such hazardous substances on the leasehold premises. Lessee shall comply with all environmental laws and exercise the highest degree of care in the use, handling and storage of hazardous substances and shall take all practical measures to minimize the quantity and toxicity of hazardous substances used, handled or store on the leasehold. Upon the expiration or termination of this Lease, Lessee shall remove all hazardous substances from the leasehold. The term "environmental laws" shall mean any federal, state or local statute, regulation or ordinance, or judicial or other governmental order pertaining to the protection of health, safety or the environment. The term "Hazardous substance" shall mean any hazardous, toxic, infectious or radioactive substance, waste and material as defined or listed by any environmental law and shall include without limitation petroleum oil and its fractions. Lessee shall be responsible for and bear the liability of any hazardous waste discharged by Lessee during Lessee's occupancy.

5.5 To maintain the quality and integrity of the premises of Lessee and adjacent leaseholds, Lessee is restricted from any exterior storage of any nature whatsoever in and around the leasehold and specifically shall not park or store any equipment, vehicles, material or any other personal property of any nature whatsoever outside of the confines of the leasehold area otherwise authorized, unless previously authorized by Lessor in writing.

5.6 Lessee shall refrain from any activity within the leasehold premises that would increase Lessor's insurance obligations unless Lessee pays full difference in increased premiums.

5.7 Lessee understands that premises is near a recreational facility, so it shall keep all odors under control at all times.

6 EASEMENTS, RIGHTS OF WAY.

Lessee shall have permission to use the driveway into the building, but at no time shall Lessee or Lessee's employees, contractors, customers or business invitees block the walkway or driveway between the buildings located immediately next to the Premises. Nor shall Lessee block the road or driveway to the common areas near the buildings.

7 BASE RENT.

7.1 During this first year of the current lease term, the base rent shall be Two Thousand Four Hundred and 00/100 Dollars (\$2,400.00) per month for the building, which represents \$1 per square feet, plus Three Hundred Fifty and 00/100 Dollars (\$350), which represents \$0.30 per square feet for outdoor space for a total of Two Thousand Seven Hundred Fifty and 00/100 Dollars per month.

7.2 The annual lease rate for each year within the Term of the Lease shall be adjusted by a percentage equal to the percentage change in the Consumer Price Index, Western Region, or the nearest comparable data on changes in the cost of living if such index is no longer published. Lessor shall evaluate the market for future renewals.

7.3 Lessee shall pay eighteen percent (21%) per year interest on all payments of rent required above more than ten (10) days in arrears.

8 ADDITIONAL RENT

8.1 All taxes and utility charges which Lessee is required to pay by this lease, and any other sum which Lessee is required to pay to Lessor, or third parties shall be additional rent.

8.2 Lessee agrees to reimburse the Port for any utility fees or other fees paid on behalf of Lessee. The Port is a non-taxable entity, unless the property has been leased to a taxable entity. Based on the annual estimated amount of Three Thousand One Hundred Fifty Dollars. (\$3,150.00) Lessor shall pay to the Port a prorated monthly property tax in the amount of Two Hundred Sixty Three Dollars (\$263.00). Should the final tax bill be higher than the collected amount, Lessor agrees to reimburse the Port for such difference.

8.3 Lessee shall be responsible for any and all utility services for the leasehold premises.

8.4 Lessee may buy annual parking passes within the Marina parking area for uses by employees and customers.

9 COMPLIANCE WITH GOVERNMENTAL RULES.

9.1 Lessee shall at all times during the term of this lease, at its sole cost and expense, comply with all governmental rules, regulations, ordinances, statutes and law now or hereafter in effect pertaining to Lessor or Lessee's operation of its business pursuant to this Lease.

9.2 Lessee shall, at all times during the term hereof, comply with all reasonable rules and regulations which Lessor may at any time establish concerning the use of its facilities, provided, however, that any such rule or regulation so made shall not be so inconsistent with this Lease as to unreasonably interfere with Lessee's operations hereunder.

10 MAINTENANCE OF LEASED PREMISES.

10.1 Lessee agrees that at all times during the term of this lease it will maintain the assigned premises in a neat and presentable condition and will maintain and keep the same in good order and repair, at Lessee's own cost and expense. Lessor, its agents and representatives, at any reasonable time may enter upon or into said premises for the purposes of examining the condition thereof and for any other lawful purpose.

10.2 The following shall be responsibility of the Lessee:

10.2.1 Any repairs necessitated by the negligence of Lessees, its agents, employees, invitees.

10.2.2 Any repair or alterations required to comply with laws or regulations.

10.2.3 Lessee further agrees, at its expense, to remove any and all alterations not accepted by Lessor and any and all accumulated equipment, supplies and other items which are present as a result of Lessee's operations, or anyone acting under Lessee, from Lessor's property upon termination of this lease. The premises shall be left in a condition equal to or better than the condition in which it was found immediately prior to the Lessee's occupation. All surface preparations shall remain with the premises unless specially requested by Lessor to be removed or somehow modified.

10.2.4. Any repairs, replacements, alterations or other work performed on or around the lease premises by Lessor, if necessary, shall be done in such a way as to interfere as little as reasonably possible with use of the premises by Lessee. Lessee shall have no right to abatement of rent nor any claim against Lessor for any inconvenience or disturbance resulting from Lessor's activities.

11 LIENS.

Lessee shall keep the Leased Premises free from liens arising out of the operations of Lessee, including any liens arising out of any labor performed for or materials furnished to Lessee on the Leased Premises. Lessee shall indemnify Lessor against any claims for labor or materials in connection with any construction of any improvements on the Leased Premises, including the costs of defending against the claims. Lessor shall have the right to enter on the Leased Premises at any reasonable time to post notices, if necessary.

12 TITLE AT TERMINATION.

Lessor shall retain upon installation title all fixtures, equipment, machinery, and other improvements installed on or connected to the Leased Premises by Lessee, unless previously agreed in writing by the parties. Lessee may remove personal property belonging to Lessee on the termination of this Lease, provided that any damage to the Leased Premises that is caused by the removal of the property shall promptly be repaired at the expense of Lessee. Any property that is not removed by Lessee within thirty (30) days after termination of this Lease shall be considered abandoned property.

13 DESTRUCTION OF LEASED PREMISES.

If the building is destroyed by fire or other casualty to such an extent that they are wholly unfit for the use contemplated, Lessor shall have the option to terminate this Lease without further obligation. On such termination, Lessor shall collect and retain the proceeds of any applicable insurance and upon making itself whole, disburse the remainder, if any, to Lessee.

14. INSURANCE.

14.1 Lessee shall at all times during the term hereof, at its sole cost and expense, obtain and maintain in force and effect a policy or policies of Protection and Indemnity Liability insurance, issued by an insurance carrier approved by Lessor, insuring against loss, damage or liability for injury to or death of persons or loss or damage to property as the result of the business operations. Such protection and liability insurance to include, by endorsement, product liability to include use by guests and customers of the Lessee. Such liability insurance shall be in the minimum amount of \$2,000,000 or as set by State industry standards. Each occurrence and in addition shall provide for payment of all attorney's fees and legal expenses arising there from. This insurance shall be written on a form acceptable to the Lessor. Lessor shall be named as an additional insured for Lessor's liability arising out of the operations of the Lessee.

14.2 Inasmuch as this Lease agreement is for a short (one year) term and is subject to annual renewal, it is expressly acknowledged by the parties that the foregoing limits of protection and indemnity insurance shall be subject to reasonable increases, based upon the recommendation of the insurance agent of record for Lessor, based upon changes in public liability laws and similar factors.

14.3 Lessee shall also keep in full force and effect the policy of insurance, insurance for Damage to Rented Premises (each occurrence) \$300,000 and Medical Expenses (any one person) \$5,000, naming the Lessee and Lessor as named insured.

14.4 If Lessee has employees, Lessee shall furnish evidence of Workers Compensation insurance and Crew Liability insurance with a limit of not less than \$2,000,000, or as set by State industry standards per occurrence. Such insurance shall be endorsed to provide statutory State of Oregon workers compensation benefits and statutory United States Longshore and Harbor Workers Act coverage's. Prior to beginning operation, Lessee shall furnish evidence, as stipulated in 14.2 above, through Certificates of insurance of workers compensation, USL&H, and crew liability insurance.

14.5 Upon execution of this Lease, Lessee shall furnish to Lessor a certificate properly executed by the insurance carrier showing that the foregoing insurance policies are in effect. The policies shall provide that such insurance can be canceled only on thirty (30) days written notice to Lessor. The policies shall evidence the insurance coverage required herein, including an express waiver of rights of subrogation required below.

14.6 Lessee hereby waives any and all rights of recovery against Lessor, its officers, agents and employees, for any loss or damage, including consequential loss or damage caused by any peril, or perils including negligent acts, enumerated in each insurance policy required to be maintained by Lessee hereunder. This waiver of subrogation shall not apply with respect to any claim by Lessee, if it is in contravention of any term or provision of any insurance policy which would otherwise provide reimbursement to Lessee, so as to render such coverage void. However, Lessee shall make reasonable efforts to obtain a policy or policies of insurance permitting such a

waiver of subrogation, or expressly waiving subrogation.

15 INDEMNITY.

15.1 Lessee shall indemnify Lessor or any of the agents or employees of Lessor against claims arising out of any injury to persons, including death or damage to property, sustained as a result of the acts of Lessee. Lessee shall defend any action brought against Lessor or any of the agents or employees of Lessor based on any alleged injury or damage caused by Lessee, and Lessee shall pay all costs, including attorney fees, resulting from the action. Lessee shall not indemnify Lessor against any claims involving the sole negligence or fault of Lessor or any of the agents or employees of Lessor.

15.2 When using the Leased Premises, Lessee shall comply with all applicable federal, state, municipal, and local laws and regulations. Lessee shall indemnify Lessor against any liability that may be imposed by governmental authorities for any violation by Lessee or the agents or employees of Lessee of any laws or regulations.

16 SIGNS.

No signs shall be placed on the Leased Premises without the prior written approval of Lessor.

17 DEFAULT OF LESSEE.

The following occurrences shall be deemed events of default of Lessee:

17.1 Failure to make any payment of rent due pursuant to this Lease within thirty (30) days after the date payment is due, or failure to pay any other service charge or assessment within thirty (30) days after Lessor bills Lessee therefore;

17.2 Failure to proceed with due diligence to remedy any other breach of a condition of this Lease and to fully indemnify Lessor against all liability resulting from the breach within thirty (30) days after Lessor gives notice of the breach to the Lessee; and

17.3 Failure to occupy or abandonment of the Leased Premises.

17.4 On the occurrence of any default described in this section, Lessor may, at its option, in addition to any other remedy given by law, give notice to Lessee that this Lease shall terminate on the date specified in the notice, which date shall not be earlier than thirty (30) days after the giving of the notice.

18 BANKRUPTCY OR INSOLVENCY OF LESSEE.

The occurrence of any of the following shall be deemed a default of Lessee:

18.1 A petition in bankruptcy filed by or against Lessee;

18.2 A petition or answer filed by or against Lessee seeking a reorganization, liquidation, dissolution or other relief of the same or different kind under any provision of the bankruptcy laws;

18.3 Adjudication of Lessee as a bankrupt or insolvent, or insolvency in the bankruptcy equity sense;

18.3 An assignment of all or substantially all of the assets of Lessee for the benefit of creditors;

18.4 A proceeding by or against Lessee for the appointment of a trustee, receiver, conservator, or liquidator of Lessee with respect to all or substantially all of the assets of Lessee;

18.5 A proceeding by or against Lessee for the dissolution or liquidation of Lessee, or the taking of possession of the assets of Lessee by any governmental authority in connection with any dissolution or liquidation; or

18.6 The taking by any person of the leasehold created by this Lease, or any part of the leasehold, on execution, attachment, or other process of law or equity against Lessee.

18.7 On the occurrence of any default described in this section, Lessor shall give Lessee notice of the default. If the default is not corrected or reasonable attempts to cure the default within ten (10) days after date of the notice, Lessor may, in addition to any other remedy or right given under this Lease or by law, give notice to Lessee that this Lease shall terminate on the date specified in the notice, which date shall not be earlier than thirty (30) days after the giving of the notice.

19 RIGHT OF LESSOR TO REENTER LEASED PREMISES ON DEFAULT OF LESSEE.

On termination of this Lease as provided in Section 17 and 18, Lessor may immediately enter on the Leased Premises without further demand or notice. Lessor may retake possession of the Leased Premises by summary proceedings, by action in law or in equity, by force or otherwise, without liability for trespass or for damages. Reentry, resumption of possession, or reletting of the Leased Premises by Lessor shall in no event be deemed to be a surrender of this Lease or a waiver of the rights and remedies of Lessor under this Lease.

20 DISPOSITION OF PERSONAL PROPERTY LOCATED ON LEASED PREMISES.

20.1 On retaking possession of the Leased Premises, Lessor shall at the expense of Lessee hold in storage for Lessee any personal property that is located on the Leased Premises, regardless of whether the personal property belongs to Lessee or any other person. Lessor may deliver the goods to Lessee or a consignee or any person or concern owning any interest in the property.

20.2 After the expiration of ten (10) days after retaking possession, should any personal property located on the Leased Premises not be claimed by Lessee or its true owner, such property shall be considered abandoned; and Lessee shall bear full responsibility for the disposition of such property by Lessor and shall indemnify and hold Lessor harmless from any and all claims, suits, and demands of true owners of such property disposed of by Lessor, whether such claims, suits, or demands be legitimate or otherwise.

21 EXPENSES TO BE PAID BY LESSEE ON TERMINATION OF LEASE DUE TO DEFAULT OF LESSEE.

21.1 On termination of this Lease for default, as provided in Section 17 or 18, Lessee shall pay to Lessor the expenses, including but not limited to reasonable attorney and other fees, incurred by Lessor in connection with:

- (a) Obtaining possession of the Leased Premises.
- (b) Removal and storage of the property of Lessee and other occupants; and
- (c) Maintenance and repair of the Leased Premises while vacant.

21.2 The expenses shall be deemed prima facie to be the amounts invoiced to Lessor.

21.3 Lessor may sue for the payments as they accrue without waiting for the payment date fixed in this Lease. Any proceeding to recover such payments shall not be deemed a waiver of any other rights of Lessor under law, equity or this Lease.

22 RELETTING PREMISES ON DEFAULT OF LESSEE.

22.1 On termination of this Lease under Section 18 or 19, Lessor shall use reasonable efforts to relet the Leased Premises to a suitable Lessee. All the rents or other sums received, if any, from the alternate Lessee, after deducting all costs of Lessor specified in Section 20, shall be credited against the total amount due from Lessee. The failure of Lessor to find a suitable Lessee, however, shall in no way prejudice the rights of Lessor under this Lease.

22.2 If Lessee has prepaid amounts due under this Lease that are subsequently obtained by Lessor from a new Lessee, Lessor shall refund Lessee the net amount of the overpaid rents or other sums.

23 INSPECTION.

Lessor and the agents and employees of Lessor may at all reasonable times enter the Leased Premises to inspect and determine whether the Leased Premises are kept in good repair and maintenance in accordance with the terms of the Lease, and to show the Leased Premises to prospective Lessees or buyers.

24 ASSIGNMENT AND SUBLETTING.

Lessee shall not assign or sublet any rights or interests under this Lease without the prior written consent of Lessor. Lessor shall not unreasonably delay consent and shall give consent under circumstances where withholding it shall be unreasonable. In determining whether to consent to assignment Lessor may consider the financial ability and business experience of assignee.

25 QUIET ENJOYMENT.

Lessor agrees that Lessee, on paying the rent and other charges in this Lease provided and on observing and keeping all the provisions of this Lease, shall quietly occupy the Leased Premises during the term of this Lease and any renewal hereof without hindrance.

26 COVENANT AGAINST WASTE.

Lessee shall not commit or suffer to be committed any waste on the Leased Premises.

27 FORCE MAJEURE.

27.1 For purposes of this Lease, the term "force majeure" is defined as any act of God, act of a public enemy, strike, fire, storm, flood, civil disturbance, failure or delay of persons from whom the parties to this Lease obtained machinery, equipment, or supplies to make delivery, or other causes beyond the control of either party, regardless of whether the other causes be of the class here specifically set out.

27.2 Neither party shall be responsible for any failure of performance of any of its obligations under this agreement, where the failure is due to force majeure.

28 EFFECT OF WAIVER OF PRIOR BREACH.

No waiver by Lessor of any covenant or condition of this Lease shall be construed as a waiver of any other covenant or condition, nor shall the waiver of any breach of this Lease be construed as waiver of any other or subsequent breach.

29 SEVERABILITY.

Should any provision of this Lease be declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining provisions of this Lease shall not be affected thereby.

30 TIME OF ESSENCE.

Punctual performance by the parties to this Lease of the covenants contained in this Lease is of the essence of this Lease.

31 SECTION TITLES ONLY FOR IDENTIFICATION.

The titles to all sections used in this Lease are for purposes of identification only and shall not vary the context of the sections.

32 MODIFICATION OF LEASE.

No modification of this Lease shall be effective unless agreed to in writing by the parties to this Lease. No modification of one provision of this Lease shall be considered a waiver, breach, or cancellation of any other provision of this Lease.

33 HOLDOVER.

If Lessee remains on the Leased Premises after the expiration of the term of this Lease without exercising the option to renew the Lease, the holding over shall be deemed to create a month-to-month tenancy under the same terms and conditions of this Lease but shall not be construed as a renewal of this Lease.

34 NOTICES.

34.1 Whenever it is required or permitted that notice be given by either party to this Lease to the other party, the notice must be in writing and must be given personally or forwarded by certified mail addressed as follows:

TO Lessor: Port of Newport
600 SE Bay Blvd.
Newport, OR 97365

TO Lessee: West Coast Seafood LLC
Attn: Xia Zhao

34.2 Unless otherwise specified in this Lease, all notices required to be given under this Lease shall be effective on the date of receipt.

34.3 The addresses to which notices are to be sent may be changed from time to time by notice given according to the terms of this section.

35 ATTORNEYS' FEES.

In addition to the fees provided in Section 21 due to default, should either party hereto institute or be made a party to any action or proceeding in court to enforce any provision hereof or for damages or other relief by reason of an alleged breach of any provision hereof, the prevailing party shall be entitled to receive from the losing party, in addition to allowable court costs, such amounts as the court may adjudge to be reasonable as attorneys' fees, including any appeal thereof, and such amount may be made a part of the judgment against the losing party.

IN WITNESS WHEREOF, the parties have executed this instrument in duplicate to be effective as of the day and year above set forth, and any corporate signature is af-fixed hereto only pursuant to the board of directors or other governing body thereof.

Lessor:

PORT OF NEWPORT

Executive Director

Lessee:

WEST COAST SEAFOOD LLC

By: Xia Zhao, Member

Exhibit B

PERSONAL GUARANTY

To induce Port of Newport, a port district and municipal corporation, to enter into the foregoing Lease, the undersigned, in consideration thereof, guarantees the performance of this Lease by West Coast Seafood, LLC. with regard to each and every term, condition and provision thereof, and agrees to indemnify and hold Lessor, Lessor's successors and assigns harmless from and against any and all liability, expense or loss of any nature whatsoever including reasonable attorney fees as therein mentioned which might be sustained by Lessor by reason of the failure of Lessee to fully perform and comply with the terms and obligations of said Lease. The attorney fees provisions of said Lease apply to this Guaranty as if incorporated within said Lease.

All notices required under this Lease from Lessor to Lessee shall also be provided simultaneously therewith to the undersigned. However, Lessor shall not be required to exhaust all remedies as and against Lessee prior to pursuing the undersigned under this Guaranty, and in the event of default Lessor, at Lessor's option, may directly and forthwith pursue the undersigned guarantor.

This Guaranty shall have no term or duration independent of the Lease as hereinabove set forth, and specifically is intended to cover any and all performance of the Lessee throughout the duration of the leasehold and thereafter as the circumstances may require.

This Guaranty is irrevocable.

Xia Zhao

Exhibit A

