

KING COUNTY

1200 King County Courthouse 516 Third Avenue Seattle, WA 98104

Signature Report

March 12, 2007

Ordinance 15702

Proposed No. 2007-0134.2

Sponsors

Gossett, Constantine, Phillips, Patterson, Ferguson, Hague and Lambert

I	AN ORDINANCE regarding facilities for important county
2	functions; designating the Earlington property as the
3	county's consolidated election facility location, requesting
4	the executive to move the criminal investigations division
5	of the Sheriff's office to the King County Courthouse in
6	downtown Seattle and authorizing the King County
7	executive to enter into a ten-year lease agreement with an
8	option to purchase, for a two story building located at 919
9	SW Grady Way in Renton Washington, to be used for a
10	consolidated election facility, located in council district 5;
11	and declaring an emergency.
12	
13	
14	BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:
15	SECTION 1. Findings.
16	A. The council has identified the need for a consolidated election facility.

17	B. The facilities management division has entered into negotiations with Unico
18	for a potential location for this facility.
19	C. Unico has an option to purchase the property.
20	D. Unico's option expires on March 15, 2007.
21	E. In order to complete the timely negotiation and execution of the lease it is
22	necessary to adopt this as an emergency ordinance.
23	SECTION 2. The King County executive is hereby authorized to execute a ten
24	year lease with an option to purchase with Earlington LLC for approximately 94,652
25	square feet of space located at 919 South West Grady Way in Renton, Washington,
26	substantially in the form of the Lease Agreement attached hereto as Attachment A.
27	SECTION 3. The appropriate county officials, agents and employees are hereby
28	authorized to take all actions necessary to implement the lease.
29	SECTION 4. The King County executive is hereby requested to develop options
80	to move the criminal investigations division to the King County Courthouse in downtown
31	Seattle.
32	SECTION 5. The county council finds as a fact and declares that an emergency
33	exists and that this ordinance is necessary for the immediate preservation of public peace,

health or safety or for the support of county government and its existing public institutions.

36

Ordinance 15702 was introduced on 2/20/2007 and passed by the Metropolitan King County Council on 3/12/2007, by the following vote:

Yes: 9 - Mr. Gossett, Ms. Patterson, Ms. Lambert, Mr. von Reichbauer, Mr. Dunn, Mr. Ferguson, Mr. Phillips, Ms. Hague and Mr. Constantine No: 0

Excused: 0

KING COUNTY COUNCIL KING COUNTY, WASHINGTON

ATTEST:

Anne Noris, Clerk of the Council

Attachments

A. Office Building Lease Earlington LLC "Landlord" with King County "Tenant" Building: Earlington Business Center Premises: Building A Dated: March 2007, B. Parcel Map, C. Site Information

15702

OFFICE BUILDING LEASE

EARLINGTON LLC
"LANDLORD"

WITH

KING COUNTY
"TENANT"

BUILDING: EARLINGTON BUSINESS CENTER

PREMISES: BUILDING A

DATED: March ___, 2007

Table Of Contents

	rage
SECTION 1: BASIC PROVISIONS	1
SECTION 2: PREMISES AND PREPARATION OF PREMISES	3
SECTION 3: TERM AND COMMENCEMENT	4
SECTION 4: BASE RENT AND ADDITIONAL RENT	6
SECTION 5: QUIET ENJOYMENT AND TENANT SECURITY	9
SECTION 6: UTILITIES AND SERVICES	9
SECTION 7: [Intentionally Omitted]	10
SECTION 8: USE, COMPLIANCE WITH LAWS AND RULES	10
SECTION 9: MAINTENANCE AND REPAIRS	11
SECTION 10: ALTERATIONS AND LIENS	11
SECTION 11: INSURANCE AND WAIVER OF SUBROGATION	12
SECTION 12: CASUALTY DAMAGE	13
SECTION 13: CONDEMNATION	13
SECTION 14: ASSIGNMENT AND SUBLETTING	14
SECTION 15: PERSONAL PROPERTY, RENT AND OTHER TAXES	15
SECTION 16: LANDLORD'S REMEDIES	15
SECTION 17: SUBORDINATION, ATTORNMENT AND LENDER PROTECTION	16
SECTION 18: ESTOPPEL CERTIFICATES	17
SECTION 19: RIGHTS RESERVED BY LANDLORD	17
SECTION 20: LANDLORD'S RIGHT TO CURE	18
SECTION 21: RELEASE AND INDEMNITY	18
SECTION 22: RETURN OF POSSESSION	19
SECTION 23: HOLDING OVER	
SECTION 24: NOTICES	19
SECTION 25: REAL ESTATE BROKERS	19
SECTION 26: NO WAIVER	20
SECTION 27: SAFETY AND SECURITY DEVICES, SERVICES AND PROGRAMS	20
SECTION 28: TELECOMMUNICATION LINES	20
SECTION 29; SUBSTANCES; DISRUPTIVE ACTIVITIES	21
SECTION 30: DISABILITIES ACTS	22
SECTION 31: DEFINITIONS	22
SECTION 32: DISPUTE RESOLUTION	23
SECTION 33: MISCELLANEOUS	24
SECTION 34: LEASE CONTINGENCIES	
SECTION 35: ENTIRE AGREEMENT	26

1	Purchase Price and Closing	ن
1		D
1		Ξ
1	Notices	F

OFFICE LEASE

THIS OFFICE BUILDING LEASE ("Lease") is made and entered into as of the 2007, by and between EARLINGTON, LLC a Delaware limited liability company ("Landlord"), and KING COUNTY, a political subdivision of the State of Washington ("Tenant"). In consideration of this Lease, Landlord and Tenant covenant and agree as follows:

SECTION 1: BASIC PROVISIONS

This Section contains the basic lease provisions between Landlord and Tenant.

A. Building:

Earlington Business Center, Building A. 919 SW Grady Way, Renton. Washington, 98055 (the "Building"), located on a portion of the real property legally described in Exhibit A attached hereto (the "Property"). The Building is part of the Earlington Business Center (the "Project").

B. Option Property

That certain portion of the Project to be segregated as a separate legal lot which shall include the Building and approximately Three Hundred Ten (310) surface parking stalls, together with an easement for use of Twenty Two (22) additional surface parking stalls adjacent to such property, but excluding any areas subject to the "I-405 Condemnation" (defined in Section 13), and as shown on the diagram attached hereto as Exhibit B and approximately legally described in Exhibit B-1 (the "Option Property") which legal description shall be attached hereto by Landlord as soon as available following Lease execution, with a copy to Tenant. The Option Property will be a separate legal lot to be created by Landlord by lot line adjustment ("LLA") subsequent to mutual execution of this Lease and prior to the Commencement Date, subject to Section 34(B). Landlord and Tenant agree that upon final approval of the LLA by the City of Renton, Exhibit B-1 shall be replaced (if necessary) with an updated Exhibit B-1 to reflect the actual legal description upon lot line adjustment. Upon request by either party, Landlord and Tenant agree to execute an amendment to this Lease, or written confirmation, respecting the final Option Property legal description. Tenant shall have the right to purchase the Option Property in accordance with the terms of Rider Two hereto. Upon execution of this Lease, and at Landlord's request, Tenant agrees to co-operate with Landlord, and use commercially reasonable efforts to assist Landlord in obtaining the City of Renton's approval of the LLA.

C. Premises:

That portion of the Building as identified on Exhibit C.

D. Commencement Date:

December 1, 2007, subject to Section 3.

E. Expiration Date:

One Hundred Twenty (120) full calendar months following the Commencement Date, which Expiration Date is estimated to be November 30, 2017, subject to Section 3.

F. Rentable Area:

The rentable area of the Premises shall conclusively be deemed 93,044 square feet, and the rentable area of the Building shall conclusively be deemed 94,847 square feet, for purposes of this Lease, subject to Section 31(M). The rentable area of all space within the Project shall be conclusively deemed to be 122,432 square feet, subject to Section 31(M). Upon completion of "Landlord's Work" (defined in Exhibit D) Landlord shall re-measure the Building and Premises, and if necessary Tenant's Share hereunder shall be appropriately adjusted, all in accordance with Section 31(M).

G. Tenant's Share:

Tenant's Share of space within the Premises as a percentage of the Building is conclusively deemed to be 98.10%, subject to Section 4 and 31(M) ("Tenant's Share of Building"). Tenant's Share of space within the Premises as a percentage of the entire Project is conclusively deemed to be 76.00%, subject to Section 4 and Section 31(M) ("Tenant's Share of Project").

H. Base Rent:

From the Commencement Date through the Expiration Date, as further described in Section 4, "Base Rent" payable by Tenant to Landlord shall be as follows:

Monthly Base Rent
\$108,551.33 per month
\$112,428.17 per month

Towards Fine (OF) thereads Thinks	
Twenty Five (25) through Thirty	· ·
Six (36)	\$116,305 per month
Thirty Seven (37) through Forty	
Eight (48)	\$120,181.83 per month
Forty Nine (49) through Sixty (60)	\$124,058.56 per month
Sixty One (61) through Seventy	
Two (72)	\$127,935.50 per month
Seventy Three (73) through	•
Eighty Four (84)	\$131,812.33 per month
Eighty Five (85) through Ninety	
Six (96)	\$135,689.17 per month
Ninety Seven (97) through One	
Hundred Eight (108)	\$139,566.00 per month
One Hundred Nine (109) though	· · · · · · · · · · · · · · · · · · ·
One Hundred Twenty (120)	\$143,442.83 per month

I. Additional Rent:

Tenant shall pay Actual Expenses Allocated to the Premises, and Tenant's Share of Taxes, subject to Section 4. The Current Estimated Expenses for the Premises for the first year of the Lease Term are estimated to be \$7.00 per rentable square foot of Premises, subject to Section 4 and Section 6(A).

J. Amortization Charge

A monthly charge payable from Tenant to Landlord in an amount equal to the difference between the "Preliminary Landlord Work Budget" (as defined in Exhibit D) and the "Final Landlord Work Budget" (as defined in Exhibit D) equally amortized over the one hundred twenty (120) full calendar months following the Commencement Date at an interest rate of nine percent (9%) per annum; provided, for purposes of determining the Amortization Charge, the Final Landlord's Work Budget shall not exceed \$9,192,613.40 (which is \$98.80 per rentable square foot, based on 93,044 rentable square feet of Premises) ("Landlord's Guaranty") even if the actual Final Landlord Work Budget exceeds Landlord's Guaranty. At Landlord's request, Tenant shall execute a confirmation of the Amortization Charge. If Tenant disagrees with Landlord's determination of the Amortization Charge, Tenant shall pay such Landlord determined Amortization Charge, subject to refund or credit when the matter is resolved. The Amortization Charge shall be paid at the same time and in the same manner as Base Rent, and all remedies available for non-payment of Rent shall be available for non-payment of the Amortization Charge.

K. Permitted Use:

Offices for Tenant's Records, Elections and Licensing division, subject to Section 8. No other department or division of Tenant may occupy or use the Premises without Landlord's prior written consent, such consent not to unreasonably withheld. Landlord agrees that with respect to the existing Building A "City Café" lease, dated November 15, 2005, Landlord will not consent to a change in permitted use for such lease (or the change in use of the City Café premises if such lease terminates) without the prior consent of Tenant, such consent not to be unreasonably withheld.

L. Deposits:

None.

M. Parking:

Included as a part of monthly Base Rent is a license for the right of use of up to Three Hundred Thirty Two (332) parking permits for (i) use of six (6) reserved stalls (for Tenant's exclusive use) located immediately adjacent to the south side of the Building as designated by a "c" on Exhibit B, and (ii) up to Three Hundred Twenty Six (326) unreserved parking stalls in the Project's surface parking lot on a first come first serve basis. All parking is subject to the Rules (defined below).

N. Broker (if any):

GVA Kidder Mathews, who shall be paid by Landlord, subject to Section 25.

O. Guarantor(s):

None.

P. Riders/Exhibits:

In addition to <u>Exhibit A</u> (Property), <u>Exhibit B</u> (diagram of LLA and Option Property), <u>Exhibit C</u> (Premises), <u>Exhibit D</u> (Work Letter), <u>Exhibit E</u> (WSU Relocation Schedule), <u>Exhibit F</u> (Diligence Materials), <u>Exhibit G</u> (I-405 Condemnation Diagram), and Rider One (Rules), this Lease includes: Rider Two (Option Addendum).

Q. Landlord's Notice Address (subject to Section 24):

Earlington, LLC c/o Unico Investment Group, LLC. 1215 Fourth Avenue, Suite 600 Seattle, WA 98161 Attention: Asset Management

R. Tenant's Notice Address (subject to Section 24):

Until the Commencement Date:

King County
Facilities Management Division
500 Fourth Ave., Suite 320
Seattle, WA 98104
Attention: Jim Burt

On and After the Commencement Date:

King County Elections Building A 919 SW Grady Way Renton WA 98055 Attention: Director of Elections

S. Rent Payments:

Rent shall be paid to "Earlington, LLC" at 1215 Fourth Avenue, Suite 600, Seattle, WA 98161 or such other parties and addresses as to which Landlord shall provide advance notice.

The foregoing provisions shall be interpreted and applied in accordance with the other provisions of this Lease. The terms of this Section, and the terms defined in Section 31 and other Sections, shall have the meanings specified therefore when used as capitalized terms in other provisions of this Lease or related documentation (except as expressly provided to the contrary therein).

SECTION 2: PREMISES AND PREPARATION OF PREMISES

- A. Premises. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Premises subject to the provisions herein contained. Upon Landlord's substantial completion of "Landlord's Work" (defined in Exhibit D) in accordance with the "Approved Plans" (defined in Exhibit D), Tenant shall accept the Premises in its then existing "as is" and "as built" condition, subject only to completion of customary mutually agreed upon "punch list" items and "Landlord's Warranty" set forth in Section 2(C) below. Landlord agrees to complete any such punch list items promptly following the Commencement Date. Except as expressly set forth otherwise in this Lease (including all Exhibits and Riders thereto), Tenant acknowledges that Landlord has not made any other representation or warranty (express or implied) with respect to the habitability, condition or suitability of the Premises, Building or Property for Tenant's purposes or any particular purpose.
- B. Preparation of Premises. Landlord shall complete "Landlord's Work" in accordance with the terms of Exhibit D attached hereto, and Landlord shall not be required to complete any item or make any improvement not identified as "Landlord Work" in Exhibit D. The obligations of Landlord to perform work and supply materials and labor to prepare the Premises for Tenant's occupancy shall be as set forth in Exhibit D attached hereto and incorporated herein. Landlord's obligation, if any, for completion of the Premises ("Landlord's Work") shall be defined and limited by said Exhibit D, and Landlord shall not be required to furnish or install any item not indicated thereon. Any additional alterations or improvements to the Premises beyond those included as a part of Landlord's Work shall be at Tenant's sole cost and expense and subject to all provisions of Section 10, including without limitation the prior approval of Landlord. Taking possession of the Premises by Tenant shall be conclusive evidence the Premises were, on that date, in good, clean and tenantable condition and delivered in accordance with this Lease, unless set forth otherwise in a mutually agreed upon written "punch list", and subject to Landlord's Warranty.
- C Landlord's Construction Warranty. Upon Landlord's delivery of the Premises to Tenant for Tenant's occupancy (with Landlord's Work substantially complete), Landlord warrants to Tenant for a period of two (2) years following the Commencement Date (such period the "Landlord Warranty Period") each of the following: (i) that Landlord's Work has been substantially completed in accordance with the Approved Plans (subject to completion of any punch list items), and (ii) that Landlord Work is free from any material defects in workmanship or materials (the foregoing warranties collectively "Landlord's Warranty"). Landlord shall also endeavor to require Landlord Warranty Period which shall include the same warranties as Landlord's Warranty but Landlord shall not be in default of this Lease if the T-I Contractor does not agree to provide a construction warranty for the duration of the Landlord Warranty Period. In addition to the foregoing, and upon the Commencement Date, Landlord shall assign and deliver to Tenant all warranties, guarantees, maintenance contracts, and equipment warranties

received by Landlord from the T-I Contractor, and any subcontractor, supplier, materialmen or equipment manufacturer arising from the performance of any part of Landlord's Work, but only if such assignment and delivery will not adversely affect Landlord's ability to independently enforce all such warranties, or warranty claims, against any such contractors, suppliers or materialmen during the Landlord Warranty Period. In the event any contractor, supplier, materialmen or equipment manufacturer provides a warranty that is of longer duration than Landlord's Warranty Period, nothing herein shall be deemed to affect or limit the duration of such third party warranties.

- Pre-Construction Vacation of Premises. Landlord and Tenant acknowledge that portions of the Premises are leased to Tenant as of the date hereof and such space is occupied by Washington State University King County Extension ("WSU", and such lease the "WSU Lease") and by King County Worksource ("Worksource", and such lease the "Worksource Lease"), which tenancies will be terminated and the space vacated prior to Landlord's commencement of construction of Landlord's Work. On the terms set forth in this Section 2(D), Landlord and Tenant agree that the responsibility for terminating the existing tenancies and vacating the applicable portions of the Premises shall be as follows: (1) Except as provided in Sections 2(D)(i) and 2(D)(ii) below, Tenant shall be responsible for terminating at its sole cost the WSU Lease and the Worksource Lease, on or prior to the later to occur of June 1, 2007; or ten (10) days after the WSU Lease and Worksource Lease are amended as provided below; and (2) Landlord shall be responsible at its sole cost to terminate all other existing tenancies and leases in the Premises on or prior to June 1, 2007. Notwithstanding the foregoing, prior to Tenant being obligated to terminate the WSU Lease and the Worksource Lease as provided above, Landlord agrees to enter into, with Tenant, amendments to the WSU Lease and Worksource Lease, respectively providing that Tenant may terminate the WSU Lease and the Worksource Lease early without penalty to either party. Landlord agrees to enter into such lease amendments within on or prior to ten (10) days of the later to occur of Tenant's waiver of its "Feasibility Contingency" (set forth in Section 34(C) below), and Landlord's waiver of its "LLA Contingency" (set forth in Section 34(B) below).
- (i) WSU Relocation. Without limitation on anything set forth in Section 2(D) above, and with respect to the existing WSU lease, the parties hereto agree to use their best efforts to relocate WSU to "Building B" of the Project in accordance with the timeline set forth on Exhibit E attached hereto; provided, the rent for the period representing the remaining term of the existing WSU Building lease shall be at the per square foot rental rate set forth in the existing lease. In the event of such relocation to Building B, Landlord shall pay the relocation and moving cost to relocate WSU to the Building B premises. As used herein "relocation and moving costs" shall mean the reasonable direct and actual out of pocket costs to physically move WSU from its existing Building A premises to the Building B premises and the costs to move WSU's phone system to, and reinstall the phone system in, the Building B premises; provided, in no event shall Landlord's obligation to pay for such moving and relocation costs exceed Twenty Five Thousand and NO/100 Dollars (\$25,000.00).
- (ii) <u>Worksource Relocation.</u> In relocating Worksource, Tenant shall use commercially reasonable efforts to have the new Worksource landlord pay for Worksource's relocation costs either directly or indirectly through gratis rent, additional tenant improvements or other concessions. In the event such landlord does not pay for, or reimburse Worksource for, its relocation costs despite Tenant's commercially reasonable efforts, and notwithstanding anything to the contrary in this Section 2(D), Landlord agrees to pay for up to fifty percent (50%) of Worksource's moving and relocation costs to relocate Worksource from its existing Building A premises to its replacement premises up to a maximum amount equal to Two and 50/100 Dollars (\$2.50) per rentable square foot of Worksource's existing leased premises in the Building. As used herein, "relocation and moving costs" shall mean the reasonable direct and actual out of pocket costs to physically move Worksource from its existing Building A premises to its replacement premises including the reasonable costs of relocating Worksource's phone system and wiring for its computer system.
- E. Landlord Bond. In accordance with RCW 35.42.060, prior to commencement of Landlord's Work Landlord shall deliver one or more bonds (collectively "Landlord's Bond") in a form reasonably acceptable to Tenant guaranteeing Landlord's obligation under Section 3(D) of this Lease below to pay up to \$200,000 in liquidated damages to Tenant on the terms set forth in Section 3(D) of this Lease below, in the event the Premises are not delivered to Tenant within the time frames provided in this Lease. Landlord shall provide Tenant evidence that Landlord's Bond has been obtained.

SECTION 3: TERM AND COMMENCEMENT

A. Term and Confirmation. This Lease shall be fully effective and enforceable in accordance with its terms on the date this Lease is fully executed, acknowledged and delivered by both Landlord and Tenant. The term ("Term") of this Lease shall commence on the Commencement Date and end on the Expiration Date as specified in Section 1 above, unless sooner terminated as provided herein, subject to adjustment as provided below and the other provisions hereof. If the Commencement Date is advanced or postponed as provided below, the Expiration Date set forth in Section 1 shall not be changed, unless Landlord so elects by notice to Tenant. Tenant shall execute a confirmation of the Commencement Date and other matters in such form as Landlord may reasonably request within ten (10) days after requested (but nothing herein shall require Landlord to so request); any failure to respond within such time shall be deemed an acceptance of the matters as set forth in Landlord's confirmation. If Tenant disagrees with Landlord's adjustment of the Commencement Date, Tenant shall pay Rent and perform all other obligations commencing on the date determined by Landlord, subject to refund or credit when the matter is resolved.

- B. Adjustments to Commencement. It is acknowledged that the Commencement Date specified in Section 1 is an estimated date. This Lease shall commence on the Commencement Date specified in Section 1 if Landlord's Work is "substantially completed" (defined below), but otherwise the Commencement Date shall be adjusted to be the first to occur of the following events: (i) the date Landlord provides Tenant notice that Landlord's Work is substantially complete; or (ii) if substantial completion of Landlord's Work is delayed in whole or in part due to "Tenant Delay" (defined below), then the date reasonably determined by Landlord as the date upon which Landlord's Work would have been substantially completed but for such Tenant Delay (and in such event Tenant shall commence paying Landlord a delay fee as additional Rent, and as Landlord's sole and exclusive remedy for such delay. within thirty (30) days of the Commencement Date in amount equal to the Base Rent Tenant would have been obligated to pay Landlord if completion of Landlord's Work had not been so delayed and Tenant were occupying the Premises). As used herein, "substantially completed" or 'substantial Completion" shall mean that each of the following have occurred subject only to completion of customary "punch list" items: (a) the T-I contractor shall have notified Landlord in writing that Landlord's Work is substantially complete in accordance with the Approved Plans; (b) Burgess shall have issued its Certificate of Substantial Completion (AlA Document G704) (the "Certificate of Completion") stating Landlord's Work is sufficiently complete in accordance with the Approved Plans to permit Tenant's occupancy or utilize for the permitted use; (c) the City of Renton has issued a certificate of occupancy or temporary certificate of occupancy such that Tenant is legally entitled to occupy the Premises for its permitted use; and (d) Landlord shall have accepted, with Tenant's concurrence, Landlord's Work as substantially complete, provided, Tenant shall not unreasonably withhold, delay or condition its concurrence if each of the items (a) through (c) have occurred, and provided further, it shall be deemed unreasonable hereunder for Tenant to withhold its concurrence unless the Certificate of Completion is incorrect in any material respect. Landlord agrees to provide Tenant no less than seven (7) business days advance notice of the substantial completion date, and for the sole purpose of determining substantial completion hereunder, Tenant shall be deemed to have conclusively concurred with Landlord's acceptance of Landlord's Work unless Tenant provides Landlord notice that the Certificate of Completion is incorrect in any material respect prior to expiration of said seven (7) business day period. As set forth in Section 4 of Exhibit D hereto Landlord and Tenant acknowledge that Tenant's "Project Manager" (defined in Exhibit D) shall have the opportunity to inspect construction, attend construction meetings and receive copies of all construction meeting minutes, and in the event Tenant's Project Manager becomes aware of any error or problem with respect to Landlord's performance or construction of Landlord's Work, or deviation from the Approved Plans, Tenant's Project Manager shall provide Landlord notice of the same so that Landlord may take any corrective action it deems appropriate. Provided the Premises have been vacated by WSU and Work Source on or prior to June 1, 2007 as further described in Section 2(E) above, Landlord shall use commercially reasonable efforts to substantially complete Landlord's Work by December 1, 2007.
- C. Tenant Delay. As used in this Lease the term "Tenant Delay" shall mean any of the following events which result in delay to Landlord's performance of Landlord's obligations under this Lease (including without limitation Landlord's obligation to substantially complete Landlord's Work) (and provided such events are not caused by Landlord's default or an event of Force Majeure): (i) delay resulting from Tenant's failure to act or perform within the applicable time frame required by this Lease for such Tenant action or performance; (ii) delay resulting from any "Additional Tenant Improvement Work" pursuant to Exhibit D; and to the extent not already included in the foregoing items (iii) delay resulting from Tenant's default of any term or condition of this Lease. Following Landlord's discovery of any such Tenant Delay, Landlord agrees to provide Tenant's Project Manager reasonably prompt notice of such Tenant Delay. Notwithstanding the foregoing, in any instance where this Lease expressly provides that if Tenant fails to act within a specified time period Tenant shall be conclusively deemed to have acted in a particular manner (such as is provided in Section 1.4 of Exhibit D), the passage of such specified time period without Tenant action shall not be considered Tenant Delay hereunder.
- Landlord Delay. Other than as provided in this Section 3(D), Landlord shall have no liability for loss or damage to Tenant resulting in any delay in the Commencement Date, nor shall Tenant have any right to terminate this Lease, and Tenant's sole recourse shall be the postponement of Rent and other obligations until the Commencement Date is established as set forth above; provided, in the event the Commencement Date does not occur by the following dates the following shall apply: (a) if the Commencement Date does not occur by December 1, 2007 (or such later date as may be adjusted under Section 3(B) in the event of any Tenant Delay or event of Force Majeure), Landlord shall pay to Tenant the sum of \$50,000 (which sum may be paid in the form of Rent credit, Purchase Price credit under Rider Two, or cash payment, or combination thereof, at Landlord's election so long as such sum is credited or paid on or prior to any termination of this Lease) as liquidated damages and as Tenant's sole and exclusive remedy for such delay in Commencement Date; and (b) if the Commencement Date does not occur by January 1, 2008 (or such later date as may be adjusted under Section 3(B) in the event of any Tenant Delay or event of Force Maejure), Landlord shall pay to Tenant the additional sum of \$150,000 (which may be paid in the form of Rent credit, Purchase Price credit under Rider Two, or cash payment, or combination thereof, at Landlord's election so long as such sum is credited or paid on or prior to any termination of this Lease) as liquidated damages and as Tenant's sole and exclusive remedy for such delay in Commencement Date. Notwithstanding the foregoing, and in the event the Commencement Date occurs after December 1, 2007 for reasons other than Tenant Delay or a Force Maejure Even(s), Tenant's obligation to pay Rent shall be adjusted as follows: (1) if the Commencement Date occurs between the period December 2, 2007 and December 31, 2007, then Tenant's obligation to take

possession of all of the Premises and commence payment of Rent with respect to all of the Premises shall be the Commencement Date; and (2) if the Commencement Date occurs on or after January 1, 2008, Tenant's obligation to take possession of the Premises and pay Rent shall be adjusted as follows: (x) during the calendar quarter within which the Commencement Date has occurred, Tenant shall be obligated to take possession of no less than twenty five percent (25%) of the total rentable square footage of the Premises prior to the end of such calendar quarter, and all Rent (including Tenant's Share) shall be equitably adjusted by Landlord on a pro-rata basis to reflect the actual square footage occupied by Tenant (or the minimum required to be occupied hereunder if Tenant chooses not to occupy such space) during such period (but no less than 25% in any event); and (y) on the first day of each calendar quarter thereafter Tenant shall be obligated to take possession of no less than an additional twenty five percent (25%) of the square footage of the Premises and all Rent (including Tenant's Share) shall be adjusted pro-rata to reflect the actual square footage occupied by Tenant (or the minimum required to be occupied hereunder if Tenant chooses not to occupy such space) during such period, provided, if during any prior calendar quarter(s) Tenant elected to occupy more than the required 25% per quarter minimum, such additional occupancy shall be taken into account with respect to the current quarterly requirement, and so long as Tenant's total actual occupancy of the Premises equals or exceeds the sum of each quarterly minimum as of the applicable date Tenant will be deemed to satisfy the terms hereof; provided further, and notwithstanding anything in the foregoing to the contrary. Tenant shall be required to take possession of one hundred percent (100%) of the Premises no later than December 1, 2008 so long as the Commencement Date has occurred on or prior to such date. As used herein, the term "calendar quarter" shall mean the three (3) calendar month period commencing January 1, April 1, July 1, and October 1, respectively. Notwithstanding the foregoing, in the event Landlord is required to pay Tenant liquidated damages as required by this Section 3(D), and Landlord fails to make such payment(s) to Tenant as set forth herein, Landlord's Bond is subject to forfeiture in the amount Landlord has failed to pay, and if the Commencement Date has not occurred by July 31, 2008, Tenant may also terminate this Lease by providing Landlord notice of termination between August 1, 2008 and August 10, 2008 (but not otherwise), in which case this Lease shall terminate without further liability of Landlord or Tenant.

E. Early Entry. If Landlord's Work is substantially completed prior to the Commencement Date specified in Section 1, and in any event not less than two (2) weeks prior to the estimated delivery date for the Premises, upon reasonable notice from Tenant to Landlord, Tenant shall be entitled to enter the Premises for fixturing, installation of Tenant's cabling, data lines and security systems, and move in purposes provided (i) Tenant shall not interfere with Landlord's completion of Landlord's Work and shall coordinate its activities and comply with Landlord's directives, (ii) all provisions of this Lease other than those relating to payment of Rent shall apply to any such pre-commencement entry (including without limitation all insurance, indemnity and freedom from lien provisions), and (iii) if Tenant beneficially occupies the Premises (or any part thereof) or commences business operations from the Premises (or any part thereof) during such period, then the Commencement Date (and obligation to pay Rent) shall be deemed advanced to the date Tenant so occupies the premises, provided, the mere moving of furniture and equipment into the Premises shall not be deemed commencement of business operations or other beneficial occupancy as those terms are used in this Section 3(E).

SECTION 4: BASE RENT AND ADDITIONAL RENT

A. Base Rent. Tenant shall pay Landlord the monthly Base Rent set forth in Section 1 in advance on or before the first day of each calendar month during the Term. In addition to Base Rent, Tenant shall also pay Actual Expenses Allocated to the Premises, and Tenant's Share of Taxes as set forth in Section 4(B) and Section 4(C) below, any delay fee under Section 3(B,) and the Amortization Charge set forth in Section 1(J) above.

B. Actual Expenses Allocated To The Premises.

Expenses Defined. For purposes of this Lease, the term "Expenses" shall mean all costs of and expenses paid or incurred by Landlord for maintaining, operating, repairing, replacing and administering (as a class B mixed use retail/office complex) the Building and Option Property, including all Common Areas and facilities, Building parking, and Systems and Equipment, and shall include the following costs by way of illustration but not limitation: water and sewer charges; insurance premiums; license, permit, and inspection fees; heat; light; power; steam; Common Area janitorial and security services; labor; salaries; air conditioning; landscaping; maintenance and repair of driveways and surface areas; supplies; materials; equipment; tools; the cost of capital replacements (as opposed to capital improvements); the cost of any capital improvements or modifications made to the Building by Landlord (other than Landlord's Work) following the "Outside Exercise Date" (as defined in Rider Two of this Lease) that are intended to reduce Expenses (but only in an amount not to exceed the savings), or are required under any Laws not applicable to the Building or Option Property or not in effect as of the Commencement Date; all property management costs, including office rent for any property management office and professional property management fees not to exceed current market rates (which may be payable to Landlord); legal and accounting expenses; and all other expenses or charges which, in accordance with generally accepted management practices would be considered an expense of maintaining, operating, repairing, replacing or administering the Building or Option Property. Capital costs included in Expenses shall be amortized over such reasonable period as Landlord shall determine with a return on capital at the current market rate per annum on the unamortized balance or at such

higher rate as may have been paid by Landlord on funds borrowed for the purpose of constructing such capital replacements or improvements.

(a) <u>Certain Exclusions</u>. Expenses shall not include expenses for which the Landlord is reimbursed or indemnified (either by an insurer, condemnor, tenant or otherwise); expenses incurred in leasing or procuring tenants (including, without limitation, lease commissions, legal expenses, and expenses of renovating space for tenants); legal expenses arising out of disputes with tenants or the enforcement of the provisions of any lease of space in a Building; interest or amortization payments on any mortgage or mortgages, and rental under any ground or underlying lease or leases; costs of any work or service performed for or facilities furnished to a tenant at the tenant's cost; the cost of correcting defects (latent or otherwise) in the construction of the Building, except those conditions (not occasioned by construction defects) resulting from wear and tear shall not be deemed defects; and costs of capital improvements and depreciation and amortization (except as otherwise provided in Section 4(B)(i) above, or elsewhere in this Lease).

(ii) Other Definitions.

- (a) "Actual Expenses" shall mean reasonable actual expenses and costs paid or incurred by Landlord for Expenses during any calendar year during the Term of this Lease;
- (b) "Actual Expenses Allocated to the Premises" shall mean the Actual Expenses incurred by Landlord with respect to the Premises and Option Property as determined in accordance with Section 4(B)(iii) below;
- (d) "Estimated Expenses Allocated to the Premises" are those costs as determined in accordance with Section 4(B)(iv) below.
- (iii). Allocation of Expenses. There shall be allocated to the Premises those Expenses as are directly attributable to the use and enjoyment of the Premises and Option Property by Tenant. To the extent practicable, utility services for the Premises shall be separately and independently provided, contracted and paid for by Tenant as set forth in Section 6 of this Lease. For Expenses which are not so directly billed or allocable to the Premises ("Indirect Expenses"), or which cannot be reasonably allocated by Landlord to specific tenants within the Building or Project including Tenant:
- (a) Tenant shall pay its pro rata share of Indirect Expenses which Landlord allocates to the Building and Option Property as primarily benefiting (in Landlord's reasonable discretion) the Building and Option Property. ("Building Indirect Expenses"). Tenant's pro rata share of Building Indirect Expenses shall be equal to the square footage of the Premises divided by the total square footage of the Building. Tenant's pro rata share of costs so allocated to the Building as of the date of this Lease is equal to the percentage stated as "Tenant's Pro Rata Share-Building" in Section 1 above.
- (iv) Additional Rent. Commencing upon the Commencement Date and throughout the Term, Tenant shall pay to Landlord as additional Rent the Actual Expenses Allocated to the Premises. As of the Commencement Date, Tenant shall pay as additional Rent the Current Estimated Expense (as specified in Section 1) in monthly installments.
- (a) Within 120 days after the end of the first calendar year of the Lease Term and each succeeding calendar year thereafter, Landlord shall deliver to Tenant a written statement setting forth the Actual Expenses Allocated to the Premises for the preceding calendar year. If these costs exceed the estimated Expenses paid by Tenant for such prior calendar year, Tenant shall pay the excess to Landlord as additional Rent within thirty (30) days following receipt of the statement. If the statement shows the Actual Expenses Allocated to the Premises to be less than the estimated amounts paid by Tenant for such prior calendar year, then the difference in the amounts shall be credited to the next payments of additional Rent due under this Lease.
- (b) Within thirty (30) days after the beginning of each calendar year (or as soon thereafter as practicable), or within thirty (30) days of the Commencement Date with respect to the first calendar year of the Term (or as soon thereafter as practicable), Landlord shall use its best judgment to determine and notify Tenant of Estimated Expenses Allocated to the Premises for that calendar year. Commencing on the first day of each calendar year during the Lease Term (or the first day of the month following the Commencement Date with respect to the first calendar year of the Term), and continuing on the first day of each month thereafter, Tenant shall pay to Landlord as additional Rent in twelve (12) equal monthly installments, an amount equal to the Estimated Expenses Allocated to the Premises as stated in Landlord's notice to Tenant. If at any time during any calendar year Landlord determines that Actual Expenses Allocated to the Premises will increase or decrease more than five percent (5%) on an annualized basis from Landlord's estimate, Landlord shall provide written notice of that determination to Tenant, and thereafter monthly payments of additional Rent by Tenant shall be revised accordingly.

C. Tenant's Share of Taxes.

(i) <u>Taxes Defined</u>. For purposes of this Lease, the term "Taxes" means all real estate taxes or personal property taxes and other taxes, surcharges and assessments, unforeseen as well as foreseen, which are levied with respect to the Building and Option Property and any improvements, fixtures and equipment and other property of Landlord, real or personal, located in the Building or on within the Option Property and used in connection with the operation of the Building, Project or Property,

and any tax, surcharge or assessment which shall be levied in addition to or in lieu of real estate or personal property taxes, other than taxes covered in Section 15. The term "Taxes" shall also include any governmental, quasi-governmental, or neighborhood trade association improvement or marketing district assessments or similar assessments for services which benefit the Building, Option Property or its occupants, and any and all rental, excise, sales, transaction, privilege, or other tax or levy, however denominated, imposed upon or measured by the rental reserved hereunder or on Landlord's business of leasing the Premises, excepting only net income, inheritance, gift and franchise taxes. As of the date hereof, the Option Property is not assessed as a separate parcel. Until it is, Landlord shall reasonably allocate to the Building an equitable share of the Taxes for the Project.

- (ii) <u>Tax Year.</u> "Tax Year" shall mean each calendar year which commences during the Term of this Lease.
- (iii) <u>Tenant's Share of Taxes</u>. Commencing on the Commencement Date for the first year of the Lease Term, and thereafter on April 1 of each Tax Year during the Term, Tenant shall pay Landlord as additional Rent for such Tax Year, an amount equal to Tenant's Share multiplied by the total amount of Taxes for the Building and Option Property for such Tax Year ("Tenant's Share of Taxes"). At least thirty (30) days prior to the date Tenant's payment to Landlord is due, Landlord shall provide Tenant a statement setting forth Tenant's Share of Taxes for the particular Tax Year.
- (iv) Additional Rent. The foregoing charge for Tenant's Share of Taxes constitute additional Rent which shall be deemed to accrue uniformly during the calendar year in which payment is due, commencing for the calendar year set forth in Section 1 of this Lease. Payment for the year the Lease Term ends shall be prorated base on Landlord's reasonable projection of the increase through the termination of this Lease and shall be due thirty (30) days before such termination.
- D. Prorations. If the Term commences on a day other than the first day of a calendar month or ends on a day other than the last day of a calendar month, the Base Rent and any other amounts payable on a monthly basis shall be prorated on a per diem basis for such partial calendar months. If the Base Rent is scheduled to increase under Section 1 other than on the first day of a calendar month, the amount for such month shall be prorated on a per diem basis to reflect the number of days of such month at the then current and increased rates, respectively. If the Term commences other than on January 1, or ends other than on December 31, Tenant's obligations to pay amounts under this Section 4 towards Taxes and Expenses for such first or final calendar years shall be prorated on a per diem basis to reflect the portion of such years included in the Term.
- E. Payments After Lease Term Ends. Tenant's obligations to pay its share of Taxes and Expenses (or any other amounts) as provided in this Lease accruing during, or relating to, the period prior to expiration or earlier termination of this Lease, shall survive such expiration or termination. Landlord may reasonably estimate all or any of such obligations within a reasonable time before, or anytime after, such expiration or termination. Tenant shall pay the full amount of such estimate, and any additional amount due after the actual amounts are determined, in each case within ten (10) days after Landlord sends a statement therefor. If the actual amount is less than the amount Tenant pays as an estimate, Landlord shall refund the difference within thirty (30) days after such determination is made.
- F. Landlord's Accounting Practices and Records. Unless Tenant takes exception by notice to Landlord within thirty (30) days after Landlord provides any statement to Tenant for any item of Additional Rent, such statement shall be considered final and binding on Tenant (except as to additional Expenses or Taxes not then known or omitted by error). If Tenant takes exception by notice within such time, Tenant may select an independent third party certified public accountant approved by Landlord (such approval not to be unreasonably withheld) to review Landlord's applicable books and records for the disputed period to confirm the proper amount of Taxes and Expenses determined in accordance with sound accounting practices. In such case: (i) such confirmation shall be considered final and binding on both parties (except as to additional expenses or taxes not then known or omitted by error), and (ii) Tenant shall pay for the cost of such confirmation, unless it shows that Taxes and Expenses were overstated by at least five percent (5%). Pending resolution of any such exceptions, Tenant shall pay all amounts shown on such Landlord's statement, subject to credit, refund or additional payment after any such exceptions are resolved.
- G. General Payment Matters. Base Rent, additional Rent which includes without limitation Tenant's Share of Taxes, Tenant's Share of Expenses and any other amounts which Tenant is or becomes obligated to pay Landlord under this Lease or other agreement entered in connection herewith, are sometimes herein referred to collectively as "Rent," and all remedies applicable to the non payment of Rent shall be applicable thereto. Rent shall be paid in good funds and legal tender of the United States of America without prior demand, deduction, recoupment, set-off or counterclaim, and without relief from any valuation or appraisement laws. Rent obligations hereunder are independent covenants. In addition to all other Landlord remedies (i) any Rent not paid by Tenant when due shall accrue interest from the due date at the Default Rate until payment is received by Landlord and (ii) in addition to such interest, Tenant shall pay Landlord a service charge of two hundred fifty dollars (\$250.00) or five percent (5%) of the delinquent amount, whichever is greater, if any portion of Rent is not received within five (5) days after the due date; provided, during the first 12 months of the Term no penalty shall be assessed for the first delinquency (if any). No delay by Landlord in providing any Rent statement to Tenant shall be deemed a default by Landlord or a waiver of Landlord's right to require payment of Tenant's obligations hereunder

including those for actual or estimated taxes, expenses or capital expenditures. In no event shall a decrease in Taxes or Expenses ever decrease the monthly Base Rent or give rise to a credit in favor of Tenant. Landlord may apply payments received from Tenant to any obligations of Tenant then accrued, without regard to such obligations as may be designated by Tenant.

SECTION 5: QUIET ENJOYMENT AND TENANT SECURITY

- A. Quiet Enjoyment. Landlord agrees that if Tenant timely pays the Rent and performs the terms and provisions hereunder, Tenant shall hold the Premises during the Term, free of lawful claims by any party acting by or through Landlord, subject to all other terms and provisions of this Lease.
- Tenant Security. Landlord recognizes that Tenant will use the Premises for administering public elections and maintaining the secret ballot function which may require specialized security systems to be provided by, and maintained by, Tenant at Tenant's sole cost and risk. As part of Tenant's security, Tenant requires the ability to limit access to all or parts of the Premises as reasonably determined by Tenant. Notwithstanding anything in this Lease to the contrary (including without limitation Landlord's right of entry pursuant to Section 19(B) below), and except for emergencies, Tenant shall have the right, upon reasonable notice to Landlord, to restrict Landlord's access to portions of the Premises as is reasonably necessary to protect the secret ballot and otherwise carry out its public elections purpose, duty and function. In the event Tenant prohibits Landlord's access to any portion of the Premises, Tenant shall indemnify, defend and hold Landlord harmless from all claims, suits, losses, damages, fines, penalties, liabilities and expenses (including Landlord's reasonable attorneys fees and other costs incurred in connection with claims, regardless of whether such claims involve litigation) resulting from any actual or alleged injury (including death) of any person or from any actual or alleged loss of or damage to any property caused in whole or in part by Tenant's actions in restricting Landlord's access to the Premises.

SECTION 6: UTILITIES AND SERVICES

- A. Standard Utilities. Landlord shall make available to the Premises public utilities generally available to the Building, but Tenant shall be responsible for the distribution of such utilities from Landlord's point of connection to the demising wall of and throughout the Premises.
- (i) Tenant Responsibility. Tenant shall pay for all water, gas, steam (if any), HVAC (if any), condenser or chilled water (if any), electricity, phone, janitorial services and all other utilities supplied to the Premises. To the extent requested by Landlord, all utilities shall be separately metered and billed to the Premises and Tenant shall promptly pay the same prior to delinquency. Any costs related to the installation, maintenance, repair or replacement of separate meters for the Premises, and any and all costs of connecting Premises specific systems and equipment to Building Systems and Equipment (such as without limitation Landlord charges for any HVAC connection to Building auxiliary cooling loop), shall be paid by Tenant upon demand. If Landlord elects in its discretion to supply any such services or utilities, Tenant shall pay Landlord (as additional Rent) for such services or utilities at the rate which Tenant would be required to pay for such services or utilities if purchased directly from the producers therefrom as reasonably determined by Landlord. In such case, Tenant shall pay Landlord within twenty (20) days of Landlord's invoice to Tenant.
- (a) Tenant shall separately contract with a janitorial contractor for janitorial services for the Premises and Landlord shall have no obligation therefor; provided, any janitorial contractor shall be subject to Landlord's prior written approval (which will not be unreasonably withheld), and such contractor shall comply with all Landlord rules and regulations respecting the Building and third party vendors, including without limitation, such contractor's execution of Landlord's standard contractor access agreement if requested by Landlord.
- Interruptions and Emergency Measures. Landlord shall use reasonable diligence to remedy an interruption in the furnishing of such services and utilities. If, however, any governmental authority imposes regulations, controls or other restrictions upon Landlord or the Building which would require a change in the services provided by Landlord under this Lease (collectively "Government Regulations"), or if Landlord reasonably determines an interruption or other change in utilities, services or Building access is required due to an emergency or other similar concern for the safety of Building Occupants (collectively "Emergency Measures"), Landlord may proceed with such Emergency Measures and may comply with such Government Regulations, including without limitation, curtailment, rationing or restrictions on Building or Premises access, the use of electricity or any other form utilities or services serving the Premises. Tenant will cooperate and do such things as are reasonably necessary to comply with Landlord's Emergency Measures, and to enable Landlord to comply with such Government Regulations and Landlord shall have no liability to Tenant for any loss, damage or expense Tenant may sustain due to such Emergency Measures or Government Regulations. In addition, and notwithstanding anything in this Lease to the contrary, Landlord does not warrant that any of the services and utilities referred to above will be free from interruption. Interruption of services and utilities shall not be deemed an eviction or disturbance of Tenant's use and possession of the Premises or any part thereof, or render Landlord liable to Tenant for damages or loss of any kind, or relieve Tenant from performance of Tenant's obligations under this Lease.

C. [Intentionally Omitted]..

- D. Utility Providers. Notwithstanding anything to the contrary in this Lease, Landlord shall have the sole, exclusive and absolute right to determine, select and contract with utility company or companies that will provide electricity and other basic utility service to the Building, Option Property and Premises. If permitted by law, during the Term of this Lease, Landlord shall have the right at any time, and from time to time, to either contract for services from a different company or companies providing electricity or other basic utility service (each such company hereinafter an "Alternate Service Provider") or continue to contract for service from the service provider(s) that is providing such utility service to the Building, Option Property or Premises at the Commencement Date (each the "Existing Service Provider at all times and, as reasonably necessary, shall allow Landlord, the Existing Service Provider and any Alternate Service Provider access to the Building's utility lines, plumbing, feeders, risers, wiring, and any other machinery or utility access ways within the Premises.
- E. Common Areas. As used herein, the term "Common Area" shall mean all Building and Project areas and facilities which are available for the nonexclusive use of Landlord's commercial tenants and their employees, customers, visitors, invitees, and others. Tenant and its employees and its invitees shall have the right to use the Common Area in common with other persons during the term of this Lease, subject to reasonable rules and regulations as may from time to time be determined necessary or advisable in Landlord's sole discretion for the proper and efficient operation and maintenance of the Common Area. Common Areas completely located within a specific building within the Project may be limited to use by the tenant's of that particular building as determined by Landlord in its sole discretion. Such rules and regulations may include, among other things, the hours during which the Common Area shall be open for use. Landlord shall manage, maintain and operate the Common Area in reasonably good condition and the cost thereof shall be included in Expenses as provided in Section 4 above; provided, that any damage thereto occasioned by the act of Tenant or its employees shall be paid by Tenant upon demand by Landlord.

SECTION 7: [INTENTIONALLY OMITTED]

SECTION 8: USE, COMPLIANCE WITH LAWS AND RULES

- Use of Premises and Compliance With Laws. Tenant shall use the Premises solely for the purposes set forth in Section 1 and for no other purpose without obtaining the prior written consent of Landlord, which shall not be unreasonably withheld for uses consistent with Landlord's then existing use criteria for the Building. Tenant acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty with respect to the Premises or with respect to the suitability of the Premises or the Building for the conduct of Tenant's business (except as may be otherwise expressly provided in this Lease), nor has Landlord agreed to undertake any modification, alteration or improvement to the Premises or the Building, except as provided in writing in this Lease. Tenant acknowledges that Landlord may from time to time, at its sole discretion, make such modifications, alterations, repairs, deletions or improvements to the Building or Option Property as Landlord may deem necessary or desirable, without compensation or notice to Tenant, provided that such alterations, repairs, deletions or improvements shall not materially adversely affect Tenant's use of the Premises during normal daytime business hours and in no event shall Landlord be liable for any consequential damages. Tenant shall promptly comply with all Laws affecting the Premises and the Building, as well as the Rules (defined below), and to any reasonable modifications to the Rules as Landlord may adopt from time to time. Tenant acknowledges that, except for Landlord's obligations pursuant to Sections 9 and 30, Tenant is solely responsible for ensuring that the Premises comply with any and all Laws applicable to Tenant's use of and conduct of business on the Premises, and that Tenant is solely responsible for any alterations or improvements that may be required by such Laws, now existing or hereafter adopted. Tenant shall not do or permit anything to be done in or about the Premises or bring or keep anything in the Premises that will in any way increase the premiums paid by Landlord on its insurance related to the Building or which will in any way increase the premiums for fire or casualty insurance carried by other tenants in the Building. Tenant will not perform any act or carry on any practices that may injure the Premises or the Building that may be a nuisance or menace to other tenants in the Building or that shall in any way interfere with the quiet enjoyment of such other tenants. Tenant shall not do anything on the Premises which will overload any existing parking or service to the Premises.
- B. Rules. Tenant shall comply with the Rules set forth in Rider One attached hereto (the "Rules") in addition to all other terms of this Lease. Landlord shall have the right, by notice to Tenant or by posting at the Building, to reasonably amend such Rules and supplement the same with other reasonable Rules relating to the Building or Property, or the promotion of safety, care, efficiency, cleanliness or good order therein. Nothing herein shall be construed to give Tenant or any other Person any claim, demand or cause of action against Landlord arising out of the violation of such Rules by any other tenant or visitor of the Building or Property, or out of the enforcement, modification or waiver of the Rules by Landlord in any particular instance.
- C. Landlord Compliance. Landlord shall conduct its activities related to the Premises, Building and Option Property, including Landlord's Work, in compliance with all applicable Laws, including

without limitation all applicable Environmental Laws. As used in this Lease, "Environmental Laws" means all federal, state and local environmental laws, rules, regulations, ordinances, judicial or administrative decrees, orders, decisions, authorizations or permits including, but not limited to, the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et. seq., the Clean Air Act, 42 U.S.C. § 7401, et seq., the Federal Water Pollution Control Act, 33 U.S.C. § 1251, et seq., the Emergency Planning and Community Right to Know Act, 42 U.S.C. § 1101, et seq., the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601, et seq., the Oil Pollution Control Act, 33 U.S.C. § 2701, et seq., and Washington or any other comparable local, state, or federal statute or ordinance pertaining to the environment or natural resources and all regulations pertaining thereto.

SECTION 9: MAINTENANCE AND REPAIRS

Unless expressly provided otherwise in this Lease, and in addition to the provisions of Section 6(A)(vi), Landlord shall maintain, in good condition, the Common Areas of the Building and Project, the structural parts of the Building which shall include only the foundations, bearing and exterior walls, subflooring, gutters, downspouts, and the roof of the Building and the Building Systems and Equipment; provided, in the event any such replacements, repairs or maintenance are caused by or result from Tenant's excessive or improper use or occupation thereof or which are caused by or result from the negligence or improper conduct of Tenant, its agents, employees or invitees, the cost of such repairs shall be paid solely by Tenant and Tenant shall pay the cost thereof within ten (10) days of notice from Landlord. Except as provided above, and subject to Section 10 of this Lease. Tenant shall maintain and repair the Premises in neat, clean, sanitary and good condition, including, without limitation, maintaining and repairing all walls, storefronts, ceilings, interior and exterior doors, exterior and interior windows and fixtures, Premises' specific systems and equipment, and interior plumbing serving the Premises as well as any damage to the Building, Project, Option Property or Premises caused by Tenant, its agents, employees or invitees. If Tenant shall fail to keep and preserve the Premises in said condition and state or repair, Landlord may, at its option (but with no obligation) put or cause the same to be put into the condition and state of repair agreed upon, and in such case Tenant, on demand, shall pay the cost thereof.

SECTION 10: ALTERATIONS AND LIENS

- Alterations. Subsequent to the completion of any Landlord's Work pursuant to Section 2, Tenant shall not attach any fixtures, equipment or other items to the Premises, or paint or make any other additions, changes, alterations, repairs or improvements (collectively hereinafter "alterations") to the Premises, Building or Property without Landlord's prior written consent, which with respect to alterations to the Premises will not be unreasonably withheld so long as Tenant is not then, nor has been, in default of this Lease (beyond any applicable cure period). If Landlord consents to any alteration, Landlord may post notices of nonresponsibility in accordance with law. Any alterations so made shall remain on and be surrendered with the Premises upon expiration or earlier termination of this Lease, except that Landlord may, within thirty (30) days before or thirty (30) days after expiration or earlier termination hereof elect to require Tenant to remove any or all alterations at Tenant's sole costs and expense; provided, notwithstanding the foregoing, Landlord shall not have the right to require removal of any improvement or alteration constructed by Landlord as part of Landlord's Work. In the event Tenant desires to make any improvements or alterations other than Landlord's Work, at the time Tenant submits plans for requested alterations to Landlord for Landlord's approval, Tenant may request Landlord to identify which alterations Landlord may require Tenant to remove at the termination of or expiration of this Lease, and Landlord shall make such identification simultaneous with its approval (if any) of the alterations and Landlord shall have not have the right to require removal of any alterations not so marked. If Landlord elects to require removal of alterations, then at its own and sole cost Tenant shall restore the Premises to the condition designated by Landlord in its election, before the last day of the term or within thirty (30) days after notice of its election is given, whichever is later.
- B. Performance. In the event Landlord consents in writing to Tenant's requested alteration of the Premises, Tenant shall only contract with a contractor approved by Landlord for the construction of such alterations, shall secure all appropriate governmental approvals and permits and shall complete such alterations with due diligence, in a neat, clean, good and workmanlike manner and in strict compliance with the plans and specifications approved by Landlord. All such construction shall be performed in a manner which shall not interfere with the occupancy of the other tenants of the Building. All cost, expenses and fees related to or arising from construction of any alteration shall be paid by Tenant prior to delinquency. There shall also be included within the cost of any such alteration work (whether for initial tenant improvements or for any subsequent alteration) a fee to Landlord for Tenant's use of Landlord's personnel involved in the supervision, coordination, inspection and the like pertaining to such work. Said fee shall be ten percent (10%) of the total cost of the alteration work (including costs of plans and permits), plus Landlord's out-of-pocket costs (if any), which shall be paid by Tenant within ten (10) days after presentment by Landlord of an invoice therefor. Landlord may impose additional reasonable conditions and rules respecting the manner and times in which such alteration work may be performed.
- C. Tenant Liens. Tenant shall pay all costs for alterations when due. Tenant shall keep the Property, Building, Premises and this Lease free from any mechanic's, materialman's, architect's, engineer's or similar liens or encumbrances, and any claims therefor, or stop or violation notices, in connection with any alteration. Tenant shall remove any such claim, lien or encumbrance, or stop or

violation notices of record, by bond or otherwise within ten (10) days after notice by Landlord. If Tenant fails to do so, such failure shall constitute a default by Tenant, and Landlord may, in addition to any other remedy, pay the amount (or any portion thereof) or take such other action as Landlord deems necessary to remove such claim, lien or encumbrance, or stop or violation notices, without being responsible for investigating the validity thereof. The amount so paid and costs incurred by Landlord shall be deemed additional Rent under this Lease payable upon demand, without limitation as to other remedies available to Landlord. Nothing contained in this Lease shall authorize Tenant to do any act which shall subject Landlord's title to, or any Lender's interest in, the Building, Property or Premises to any such claims, liens or encumbrances, or stop or violation notices, whether claimed pursuant to statute or other Law or express or implied contract.

- D. Landlord Labor and Material Liens. Landlord shall indemnify, defend and hold Tenant harmless from and against any claim, foreclosure, action, loss or damage arising from or related to any mechanic's, materialman's, architect's, engineer's or similar liens, and any claims therefor, or stop or violation notices, in connection with any alteration to the Building, Premises or Property made by Landlord. Landlord shall remove any such claim, lien or encumbrance, or stop or violation notices of record, by bond or otherwise, in the event such claim or lien creates a substantial and imminent risk of Tenant's forfeiture of its tenancy hereunder. If Landlord fails to remove such lien within ten (10) days of written notice from Tenant, and such lien creates a substantial and imminent risk of Tenant's forfeiture of its tenancy hereunder, such failure shall constitute a default by Landlord, and Tenant may, in addition to any other remedy, pay the amount (or any portion thereof) or take such other action as Tenant deems necessary to remove such claim, lien or encumbrance, or stop or violation notices, without being responsible for investigating the validity thereof. The amount so paid and costs incurred by Tenant shall be payable upon demand, without limitation as to other remedies available to Tenant. Nothing herein shall apply to the lien of any Landlord Lender.
- **E.** Landlord Waiver of Liens. Landlord hereby waives and relinquishes any and all right to any lien (statutory or otherwise) upon the personal property and moveable trade fixtures and equipment of Tenant located within the Premises, without the express written consent of Tenant.

SECTION 11: INSURANCE AND WAIVER OF SUBROGATION

- Insurance And Self-Insurance. During the term of this Lease, Tenant at its sole cost and expense shall continuously maintain the following types of insurance coverages: (i) Property Damage Insurance for the protection of Tenant and Landlord, as their interests may appear, covering all of Tenant's improvements and alterations to the premises, Tenant's personal property, business records, fixtures and equipment, and other insurable risks for "all risk" perils, excluding earthquake and flood, in an amount not less than the full insurance replacement cost of such property and the full insurable value of such other interests of Tenant, with coverages that also include "Business Personal Property," and "Business Income Coverage" covering at least one year of anticipated income; and (ii) Worker's Compensation Insurance in compliance with applicable Law; and (iii) Commercial General Liability Insurance (occurrence based) with limits of \$2,000,000 each occurrence, and in the aggregate, with coverage for death and bodily injury, property damage or destruction (including loss of use), product and completed operations liability, contractual liability, fire legal liability, personal injury liability and advertising injury liability; (iv) Automobile liability in compliance with applicable financial responsibility Laws. All property or liability insurance policies obtained from third party commercial insurers to satisfy the above insurance requirements shall name Landlord (and its Lender) as additional insureds (or loss payee), the policy shall provide that Landlord receive at least thirty (30) days notice prior to any material change or cancellation of coverage, and Tenant shall provide Landlord on an ongoing basis certificates evidencing that such insurance has been obtained and is in force during the Term of this Lease. Notwithstanding the foregoing, Landlord acknowledges that King County, a charter county government under the constitution of the State of Washington, hereinafter referred to as "Tenant", maintains a fully funded Self-Insurance program as defined in King County Code 4.12 for the protection and handling of Tenant's liabilities including injuries to persons and damage to property. Landlord agrees that all of Tenant's obligations for insurance hereunder may be provided by in their entirety by Tenant's self-funded Self-Insurance program described above. The Tenant agrees, at its own expense, to maintain, through its self-funded Self-Insurance program, coverage for all of its liability exposures under this Lease. The Tenant agrees to provide Landlord with at least 30 days prior written notice of any material change in the County's selffunded Self-Insurance program, and will provide Landlord with a certificate of self-insurance as adequate proof of coverage. Landlord further acknowledges, agrees and understands that the Tenant does not purchase Commercial General Liability insurance and is a self-insured governmental entity; therefore the Tenant does not have the ability to add the Landlord (or any Lender) as an additional insured. Should the Tenant elect and cease self-insuring its liability exposures and purchase Commercial General Liability insurance, Tenant agrees to add the Landlord (and Landlord's Lender) as an additional insured as provided above.
- B. Waiver of Subrogation. Landlord and Tenant release and relieve the other, and waive the entire right of recovery for loss or damage to property located within or constituting a part or all of the Premises, the Building or the Option Property to the extent that the loss or damage is actually covered (and claim amount recovered) by insurance, or self insurance, carried by either party and in force at the time of such loss or damage. This waiver applies whether or not the loss is due to the negligent acts or omissions of Landlord or Tenant, or their respective officers, directors, employees, agents, contractors, or

invitees. Each of Landlord and Tenant shall have their respective property insurers endorse the applicable insurance policies or self insurance program, to reflect the foregoing waiver of claims, provided, however, that the endorsement shall not be required if the applicable policy of insurance, or self insurance program permits the named insured to waive rights of subrogation on a blanket basis, in which case the blanket waiver shall be acceptable.

SECTION 12: CASUALTY DAMAGE

In the event the Building or Premises shall be destroyed or rendered untenantable, either wholly or in part, by fire or other casualty, Landlord may, at its option, restore the Building or Premises to as near their previous condition as is reasonably possible and in the meantime the Rent shall be abated in the same proportion as the untenantable portion of the Premises bears to the whole thereof, provided, such abatement (i) shall apply only to the extent the Premises are untenantable for the purposes permitted under this Lease and not used by Tenant as a result thereof, and (ii) shall not apply if Tenant or any other occupant of the Premises or any of their agents, employees, invitees, transferees or contractors caused the damage. Unless Landlord, within sixty (60) days after the happening of any such casualty, shall notify Tenant of its election to so restore, this Lease shall thereupon terminate and end, provided, if in Landlord's estimation the Premises cannot be restored within one hundred twenty (120) days following such destruction, Landlord shall notify Tenant and Tenant may terminate this Lease (regardless of Landlord's intent to restore) by delivery of notice to Landlord within thirty (30) days of Landlord's notice. Such restoration by Landlord shall not include replacement of furniture, equipment or other items that do not become part of the Building or any improvements to the Premises in excess of those provided for in the allowance for building standard items. Tenant agrees that the abatement of Rent as provided above shall be Tenant's sole and exclusive recourse in the event of such damage, and Tenant waives any other rights Tenant may have under applicable Law to perform repairs or terminate the Lease by reason of damage to the Building or Premises.

SECTION 13: CONDEMNATION

- A. Notification. Landlord and Tenant will immediately notify the other in writing of the receipt of notice of any proceedings with respect to a condemnation or intent of any authority to exercise the power of eminent domain.
- B. All The Premises. If all of the Premises are taken by any lawful authority under the power of eminent domain for a period which will end on or extend beyond the expiration of the term of this Lease, this Lease shall terminate as of the date condemner takes possession, and Tenant will have no claim or interest in or to any award of just compensation except that the Tenant will be entitled to an amount equal to the fair market value of the Tenant's leasehold interest in any improvement taken by the condemner made to the Premises by the Tenant, but not to exceed the amount of that part, if any, of the award attributable to the value of the improvements.
- C. Portion of Premises. If part of the Premises or Option Property is taken is taken by any lawful authority under the power of eminent domain for a period which will end on or extend beyond the expiration of the term of this Lease, and as a result thereof the Premises can no longer be reasonably used for the conduct of Tenant's business, Tenant may choose to terminate this Lease upon such date selected by Tenant but such date shall not be more than ninety (90) days following the date of the condemning authority taking possession. If Tenant does not elect to terminate this Lease as provided above, and a portion of the Premises has been taken, the rent will be reduced in the same proportion that the value of the portion of the Premises to be taken bears to the value of the entire Premises as of the date condemner takes possession. Tenant will have no claim or interest in or to any award of just compensation or damages except that the Tenant will be entitled to an amount equal to the fair market value of the Tenant's leasehold interest in the part taken by the condemner of any improvements made to the premises by the Tenant, but not to exceed the amount of that part, if any, of the award attributable to the value of the improvements.
- D. Temporary Taking. Subject to Section 13(F), if temporary use of all or a portion of the Premises or Option Property is taken by any lawful authority for a period which would cause the Premises to be untenantable for the use by Tenant for the purposes set forth in Section 1 of the Lease for a period of more than one hundred twenty (120) days, Tenant may choose to terminate this Lease by written notice to Landlord within thirty (30) days of the date Tenant is notified of the temporary taking. If Tenant elects to terminate the Lease, the Lease will terminate the date the condemner takes possession and Tenant will have no claim or interest in or to any award of just compensation except that the Tenant will be entitled to an amount equal to the fair market value of the Tenant's leasehold interest in any improvements made to the premises by the Tenant. If Tenant does not elect to terminate this Lease, the Lease will continue in full force and Tenant will be entitled to receive any award from the condemner for the use of all or part of the premises, EXCEPT that Tenant may elect to have the rents reduced by the amount proportionally attributable to any partial temporary taking, in which event Lessee shall not be entitled to any portion of the award attributable to said use.
- E. Party. It is understood and agreed that Tenant shall be party to any negotiation or proceeding at law wherein Landlord claims compensation other than that which is defined statutorily as constituting "just compensation", but is granted no additional rights to a lease extension or property ownership.

1-405 Condemnation. Tenant acknowledges that as disclosed in "Agreement of Sale" (as defined in (and attached to) Rider Two of this Lease), as of the date hereof there is a pending condemnation of a portion of the Property that does not involve the Premises related to the pending expansion of Interstate 405 (the "I-405 Condemnation"). The property affected by the I-405 Condemnation is generally shown on Exhibit G hereto. Notwithstanding anything in this Section 13 to the contrary, Tenant agrees that the I-405 Condemnation shall have no effect on this Lease, Landlord shall be entitled to receive the entire award or payment in connection with such Condemnation, and Tenant hereby assigns to Landlord any interest therein for the value of Tenant's leasehold estate (if any) or any other claim and waives any right to participate therein. If the I-405 Condemnation affects portions of the Option Property beyond that which is shown on Exhibit G, then the taking of such Option Property shall be handled as follows: (i) if Tenant does not exercise its Purchase Option, the taking of such Option Property shall be subject to the terms of Sections 13(A) through (E) above, provided, if the condemnation of such Option Property involves a temporary taking, Landlord agrees that it will not voluntarily accept any new proposed temporary easements, or proposed material adjustments to the temporary easements shown on Exhibit G, without Tenant's prior approval, such approval not to be unreasonably withheld; and (ii) if Tenant exercises its Purchase Option, the terms of the "Agreement of Sale" (defined in Rider Two) shall govern. Tenant shall be entitled to the entire award related to the taking of such Option Property; provided, Landlord shall promptly provide Tenant notice of such additional condemnation and provide Tenant the opportunity to provide Landlord comments:

SECTION 14: ASSIGNMENT AND SUBLETTING

- A. Consent Required. Tenant shall not, without the prior written consent of Landlord, assign this Lease or any interest therein, or sublet the Premises or any part thereof, or permit the use of the Premises by any party other than Tenant or otherwise transfer this Lease (collectively "transfer"). Such consent shall be entirely discretionary with Landlord, except as otherwise provided in this Section 14. Consent to one such transfer shall not destroy or waive this provision, and all subsequent transfers shall likewise be made only upon obtaining prior written consent of Landlord. Subtenants or assignees shall become directly liable to Landlord for all obligations of Tenant hereunder, without relieving Tenant of any liability.
- B. Transfers. If Tenant is a corporation, then any transfer of this Lease by merger, consolidation or liquidation, or any change in the ownership of, or power to vote, the majority of its outstanding voting stock, shall constitute an assignment for the purpose of this Section 14. If Tenant is a partnership, any transfer of this Lease by merger, consolidation, liquidation or dissolution, or any change in the ownership of a majority of the partnership interests, shall constitute an assignment for the purposes of this Section 14. An assignment forbidden within the meaning of this Section includes without limitation one or more sales or transfers, by operation of law or otherwise, or creation of new stock, by which an aggregate of more than fifty percent (50%) of Tenant's stock shall be vested in a party or parties who are nonstockholders as of the date hereof. This Section 14(B) shall not apply if Tenant's stock is listed on a recognized security exchange or if at least eighty percent (80%) of its stock is owned by a corporation whose stock is listed on a recognized security exchange.

C. [Intentionally Omitted].

- D. Costs. Whether or not Landlord consents to a proposed transfer (or exercises its right to recapture), Tenant shall reimburse Landlord on demand for any and all costs that may be incurred by Landlord in connection with any proposed transfer including, without limitation, the cost of investigating the acceptability of the proposed transferee and Landlord's reasonable attorneys' fees incurred in connection with each proposed transfer.
- **E. Notice.** Any notice or request to Landlord with respect to a proposed assignment or sublease shall contain the name of the proposed assignee or subtenant (collectively "transferee"), the nature of the proposed transferee's business to be conducted at the Premises, and the terms and provisions of the proposed transfer. Tenant shall also provide Landlord with a copy of the proposed transfer documents when available, and such financial and other information with respect to the proposed transferee and transfer that Landlord may reasonably require.
- F. Consent. Notwithstanding the foregoing, in the event of a proposed transfer, then Landlord will not unreasonably withhold its consent thereto if (a) Tenant is not then, nor has been, in default of this Lease (beyond any applicable cure period), (b) the proposed transferee will continuously occupy and use the Premises for the term of the transfer, (c) the use by the proposed transferee will be the same as Tenant's use of the Premises, (d) the proposed transferee is reputable and of sound financial condition, (e) the transfer will not directly or indirectly cause Landlord to be in breach of any contractual obligation, (f) the proposed transferee is not an existing tenant or subtenant of any other premises located on the Property, and (g) with respect to transfer of substantially all of the Premises, the Rent under this Lease is amended (if necessary) to be the Rent Landlord is then willing to accept from others for the Premises during the remaining term of the Lease as assigned or other term of the sublease, which shall be the then fair rental value thereof as reasonably determined by Landlord, which may be a fixed monthly amount or an amount that increases periodically. In all other cases, Landlord may withhold consent in it sole discretion.

G. Terms. Any option(s) granted to Tenant in this Lease or any option(s) granted to Tenant in any amendments to this Lease, to the extent that said option(s) have not been exercised, shall terminate and be voided in the event this Lease is assigned, or any part of the Premises are sublet, or Tenant's interest in the Premises are otherwise transferred, unless otherwise agreed to by Landlord.

SECTION 15: PERSONAL PROPERTY, RENT AND OTHER TAXES

Tenant shall pay prior to delinquency all taxes, charges or other governmental impositions assessed against, levied upon or otherwise imposed upon or with respect to all fixtures, furnishings, personal property, systems and equipment located in or exclusively serving the Premises, and any improvements made to the Premises under or pursuant to the provisions of this Lease. Whenever possible, Tenant shall cause all such items to be assessed and billed separately from the other property of Landlord. In the event any such items shall be assessed and billed with the other property of Landlord, Tenant shall pay Landlord its share of such taxes, charges or other governmental impositions within ten (10) days after Landlord delivers a statement and a copy of the assessment or other documentation showing the amount of impositions applicable to Tenant's property. Tenant shall pay any rent tax, sales tax, service tax, transfer tax, value added tax, or any other applicable tax on the Rent, utilities or services herein, the privilege of renting, using or occupying the Premises, or collecting Rent therefrom, or otherwise respecting this Lease or any other document entered in connection herewith.

SECTION 16: LANDLORD'S REMEDIES

- Default. The occurrence of any one or more of the following events shall constitute a "Default" by Tenant and shall give rise to Landlord's remedies set forth in Section 16(B) below: (i) failure to make when due any payment of Rent, unless such failure is cured within three (3) days after notice from Landlord; (ii) failure to observe or perform any term or condition of this Lease other than the payment of Rent (or the other matters expressly described herein), unless such failure is cured within any period of time following notice expressly provided with respect thereto in other Sections hereof, or otherwise within a reasonable time, but in no event more than thirty (30) days following notice from Landlord (provided, if the nature of Tenant's failure is such that more time is reasonably required in order to cure, Tenant shall not be in Default if Tenant commences to cure promptly within such period and thereafter diligently pursues its completion); (iii) failure to cure immediately upon notice thereof any condition which is hazardous, interferes with another tenant or the operation or leasing of the Property, or may cause the imposition of a fine, penalty or other remedy on Landlord or its agents or affiliates; (iv) abandonment and vacation of the Premises (failure to occupy and operate the Premises for ten (10) consecutive days while in monetary default under this Lease shall conclusively be deemed an abandonment and vacation); or (v) Tenant, or any guarantor of this Lease ("Guarantor"), filing by or for reorganization or arrangement under any Law relating to bankruptcy or insolvency (unless, in the case of a petition filed against Tenant or such Guarantor, the same is dismissed within thirty (30) days); (b) Tenant's or any Guarantor's insolvency or failure, or admission of an inability, to pay debts as they mature, or (c) a violation by Tenant or any affiliate of Tenant under any other lease or agreement with Landlord or any affiliate thereof which is not cured within the time permitted for cure thereunder. Additionally, if Tenant violates the same term or condition of this Lease on two (2) occasions during any twelve (12) month period, Landlord shall have the right to exercise all remedies for any violations of the same term or condition during the next twelve (12) months without providing further notice or an opportunity to cure. The notice and cure periods provided herein are intended to satisfy any and all notice requirements imposed by Law on Landlord and are in lieu of, and not in addition to, any notice and cure periods provided by Law; provided, Landlord may elect to comply with such notice and cure periods provided by Law. In the event of Tenant's default, and in addition to any other amounts or remedies that Landlord may be entitled to, Landlord shall be entitled to recover from Tenant, Landlord's costs and reasonable attorney fees incurred in enforcing this Lease or otherwise arising from Tenant's default.
- **B.** Remedies. If a Default occurs, Landlord shall have the rights and remedies hereinafter set forth to the extent permitted by Law, which shall be distinct, separate and cumulative with and in addition to any other right or remedy allowed under any Law or other provision of this Lease:
- 1. Landlord may terminate Tenant's right to possession without termination of this Lease, or Landlord may terminate this Lease and Tenant's right to possession, at any time following a Default; provided, no act of landlord other than giving notice to Tenant with express statement of termination shall terminate this Lease or Tenant's right to possession. Acts of maintenance, efforts to relet the premises or the appointment of a receiver on Landlord's initiative to protect Landlord's interest under this Lease shall not constitute a termination of tenant's right to possession. Upon termination of Tenant's right to possession, Landlord shall have the right to reenter the Premises and recover from Tenant in addition to any other monies provided herein or at Law: (a) the Worth of the unpaid Rent that had been earned by Landlord at the time of termination of Tenant's right to possession; (b) the Worth of the amount of the unpaid Rent that would have been earned after the date of termination of Tenant's right to possession through the expiration of the Lease Term; and (c) all other expenses incurred by Landlord on account of Tenant's Default, including without limitation any Costs of Reletting (defined below) and Landlord's attorney fees and collection costs. The "Worth" as used for item (a) above is to be computed by allowing interest at the rate of eighteen percent (18%) to accrue on all such unpaid Rent (or such lesser rate required by Law, if any). The Worth as used for item (b) above is to be computed by

discounting the amount of Rent at the discount rate of the Federal Reserve Bank of San Francisco at the time of termination of Tenant's right of possession.

- 2. In the event Landlord has made improvements to the Premises for the use and occupancy of Tenant, in addition to all other damages and rents to which Landlord shall be entitled on account of Tenant's Default, Landlord shall also be entitled to recover from Tenant a sum equal to: (a) the unamortized cost to Landlord of the basic building standard Tenant improvement costs, said sum being computed by applying the percentage which the unexpired portion of the Lease Term bears to the total scheduled Lease Term with interest at ten percent (10%) per annum, plus (b) all costs to Landlord of non-building standard, custom or special Tenant improvements (above basic building standard improvements) with no adjustment for the unexpired portion of the scheduled Lease Term.
- 3. In the event of any such reentry by Landlord, Landlord may, at Landlord's option, require Tenant to remove from the Premises any of Tenant's property located thereon. If Tenant fails to do so, Landlord shall not be responsible for the care or safekeeping thereof and may remove any of the same from the Premises and place the same elsewhere in the Building or in storage in a public warehouse at the cost, expense and risk of Tenant with authority to the warehouseman to sell the same in the event that Tenant shall fail to pay the cost of transportation and storage, all in accordance with the rules and regulations applicable to the operation of a public warehouseman's business. In any and all such cases of reentry Landlord may make any repairs in, to or upon the Premises which may be necessary, desirable or convenient, and Tenant hereby waives any and all claims for damages which may be caused or occasioned by such reentry or to any property in or about the Premises or any part thereof.
- Landlord may bring suits for amounts owed by Tenant hereunder or any portions thereof, as the same accrue or after the same have accrued, and no suit or recovery of any portion due hereunder shall be deemed a waiver of Landlord's right to collect all amounts to which Landlord is entitled hereunder, nor shall the same serve as any defense to any subsequent suit brought for any amount not therefor reduced to judgment. Landlord may pursue one or more remedies against Tenant and need not make an election of remedies. All rent and other consideration paid by any replacement tenants shall be applied at Landlord's option: (i) first, to the Costs of Reletting (defined below), (ii) second, to the payment of all costs and attorney fees of enforcing this Lease against Tenant or any Guarantor, (iii) third, to the payment of all interest and service charges accruing hereunder, (iv) fourth, to the payment of Rent theretofore accrued, and (v) with the residue, if any, to be held by Landlord and applied to the payment of Rent and other obligations of Tenant as the same become due (and with any remaining residue to be retained by Landlord). "Costs of Reletting" shall include without limitation, all costs and expenses incurred by Landlord for any repairs, improvements or other matters necessary to prepare the Premises for another tenant, brokerage commissions, advertising costs, attorneys' fees, any economic incentives given to enter leases with replacement tenants. With respect to reletting the Premises, Landlord shall only be required to use reasonable efforts that do not exceed such efforts Landlord generally uses to lease other space in the Building, Landlord may continue to lease other portions of the Building or other projects owned or managed by Landlord in the same vicinity before reletting all or a portion of the Premises, and Landlord shall not be required to relet at rental rates less than Landlord's then-existing rates for new leases or terms less favorable to Landlord than those contained herein. The times set forth herein for the curing of Defaults by Tenant are of the essence of this Lease.

SECTION 17: SUBORDINATION, ATTORNMENT AND LENDER PROTECTION

Provided Tenant is granted a Subordination, Non-Disturbance and Attornment Agreement in a commercially reasonable form as shall be reasonably acceptable to Tenant and such non-subordinating party (the "SNDA"), this Lease shall be subject and subordinate to all Mortgages now or hereafter placed upon the Option Property, Building, Premises or any interest of Landlord therein, and all other encumbrances, and matters of public record applicable to the Property, Building or Premises. Whether before or after any foreclosure or power of sale proceedings are initiated or completed by any Lender or a deed in lieu is granted (or any ground lease is terminated), Tenant agrees upon written request of any such Lender or any purchaser at such sale, to attorn and pay Rent to such party, and recognize such party as Landlord (provided such Lender or purchaser shall agree not to disturb Tenant's occupancy so long as Tenant does not Default hereunder, on a form customarily used by, or otherwise reasonably acceptable to, such party). However, in the event of attornment, no Lender shall be: (i) liable for any act or omission of Landlord, or subject to any offsets or defenses which Tenant might have against Landlord (arising prior to such Lender becoming Landlord under such attornment), (ii) liable for any security deposit or bound by any prepaid Rent not actually received by such Lender, or (iii) bound by any modification of this Lease not consented to by such Lender. Any Lender may elect to make this Lease prior to the lien of its Mortgage by written notice to Tenant, and if the Lender of any prior Mortgage shall require, this Lease shall be prior to any subordinate Mortgage; such elections shall be effective upon written notice to Tenant, or shall be effective as of such earlier or later date set forth in such notice. Tenant agrees to give any Lender by certified mail, return receipt requested, a copy of any notice of default served by Tenant upon Landlord, provided that prior to such notice Tenant has been notified in writing (by way of service on Tenant of a copy of an assignment of leases, or otherwise) of the address of such Lender. Tenant further agrees that if Landlord shall have failed to cure such default within the time permitted Landlord for cure under this Lease, any such Lender whose address has been provided to Tenant shall have an additional period of thirty (30) days in which to cure (or such additional time as may be required due to causes beyond such Lender's control, including time to obtain possession of the Option Property by appointment

of receiver, power of sale or judicial action). Except as expressly provided to the contrary herein, the provisions of this Section shall be self-operative; however Tenant shall execute and deliver, within ten (10) days after requested, such documentation as Landlord or any Lender may request from time to time, whether prior to or after a foreclosure or power of sale proceeding is initiated or completed, a deed in lieu is delivered, or a ground lease is terminated, in order to further confirm or effectuate the matters set forth in this Section in recordable form (and Tenant hereby authorizes Landlord acting in good faith to execute any such documentation as Tenant's agent and attorney-in-fact). Tenant hereby waives the provisions of any Law (now or hereafter adopted) which may give or purport to give Tenant any right or election to terminate or otherwise adversely affect this Lease or Tenant's obligations hereunder if foreclosure or power of sale proceedings are initiated, prosecuted or completed. Landlord agrees to obtain the SNDA from its then current lender(s), within forty five (45) days after Landlord acquires title to the Property and Premises.

SECTION 18: ESTOPPEL CERTIFICATES

Tenant shall from time to time, within five (5) days after written request from Landlord, execute, acknowledge and deliver a statement certifying: (i) that this Lease is unmodified and in full force and effect or, if modified, stating the nature of such modification and certifying that this Lease as so modified, is in full force and effect (or specifying the ground for claiming that this Lease is not in force and effect). (ii) the dates to which the Rent has been paid, and the amount of any Security Deposit, (iii) that Tenant is in possession of the Premises, and paying Rent on a current basis with no offsets, defenses or claims, or specifying the same if any are claimed, (iv) that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord or Tenant which are pertinent to the request, or specifying the same if any are claimed, and (v) certifying such other matters as Landlord may reasonably request, or as may be requested by Landlord's current or prospective Lenders, insurance carriers, auditors, and prospective purchasers (and including a comparable certification statement from any subtenant respecting its sublease). Any such statement may be relied upon by any such parties. If Tenant shall fail to execute and return such statement within the time required herein, Tenant shall be deemed to have agreed with the matters set forth therein, and Landlord acting in good faith shall be authorized as Tenant's agent and attorney-in-fact to execute such statement on behalf of Tenant (which shall not be in limitation of Landlord's other remedies).

SECTION 19: RIGHTS RESERVED BY LANDLORD

Except to the extent expressly limited herein, Landlord reserves full rights to control the Property (which rights may be exercised without subjecting Landlord to claims for constructive eviction, abatement of Rent, damages or other claims of any kind), including more particularly, but without limitation, the following rights:

- A. General Matters. To: (i) change the name or street address of the Building or Property or designation of the Premises, (ii) install and maintain signs on the exterior and interior of the Building or Property, and grant any other person the right to do so, (iii) retain at all times, and use in appropriate instances, keys to all doors within and into the Premises, subject to Tenant's security rights under Section 6 above, (iv) grant to any person the right to conduct any business or render any service at the Property, whether or not the same are similar to the use permitted Tenant by this Lease, (v) grant any person the right to use separate security personnel and systems respecting access to their premises, (vi) have access for Landlord and other tenants of the Building to any mail chutes located on the Premises according to the rules of the United States Postal Service (and to install or remove such chutes), and (vii) in case of fire, invasion, insurrection, riot, civil disorder, emergency or other dangerous condition, or threat thereof: (a) limit or prevent access to the Building or Property or Premises, (b) shut down elevator service, (c) activate elevator emergency controls, and (d) otherwise take such action or preventative measures deemed necessary by Landlord for the safety of tenants of the Building or Property or the protection of the Building or Property and other property located thereon or therein (but this provision shall impose no duty on Landlord to take such actions, and no liability for actions taken in good faith).
- Access to Premises. To enter the Premises in order to: (i) inspect, (ii) supply cleaning service or other services to be provided Tenant hereunder, (iii) show the Premises to current and prospective Lenders, insurers, purchasers, tenants, brokers and governmental authorities, (iv) decorate, remodel or alter the Premises if Tenant shall abandon the Premises at any time, or shall vacate the same during the last one hundred twenty (120) days of the Term (without thereby terminating this Lease), and (v) perform any work or take any other actions under Section 19(C) below, or exercise other rights of Landlord under this Lease or applicable Laws, subject to Tenant's security rights under Section 6 above. However, Landlord shall: (a) provide reasonable advance written or oral notice to Tenant's on site manager or other appropriate person for matters which will involve a significant disruption to Tenant's business (except in emergencies), (b) take reasonable steps to minimize any significant disruption to Tenant's business, and following completion of any work, return Tenant's leasehold improvements, fixtures, property and equipment to the original locations and condition to the fullest extent reasonably possible, and (c) take reasonable steps to avoid materially changing the configuration or reducing the square footage of the Premises, unless required by Laws or other causes beyond Landlord's reasonable control (and in the event of any permanent material reduction, the Rent and other rights and obligations of the parties based on the square footage of the Premises shall be proportionately reduced). Tenant shall not place partitions, furniture or other obstructions in the Premises which may prevent or impair Landlord's access to the Systems and Equipment for the Property or the systems and equipment for the

Premises. If Tenant requests that any such access occur before or after Landlord's regular business hours and Landlord approves, Tenant shall pay all overtime and other additional costs in connection therewith.

C Changes To The Property. To: (i) paint and decorate. (ii) perform repairs or maintenance, and (iii) make replacements, restorations, renovations, alterations, additions and improvements, structural or otherwise (including freon retrofit work), in and to the Building or Property or any part thereof, including any adjacent building, structure, facility, land, street or alley, or change the uses thereof (including changes, reductions or additions of corridors, entrances, doors, lobbies, parking facilities and other areas, structural support columns and shear walls, elevators, stairs, escalators, mezzanines, solar tint windows or film, kiosks, planters, sculptures, displays, and other amenities and features therein, and changes relating to the connection with or entrance into or use of the Building or Property or any other adjoining or adjacent building or buildings, now existing or hereafter constructed). In connection with such matters, Landlord may among other things erect scaffolding, barricades and other structures, open ceilings, close entry ways, restrooms, elevators, stairways, corridors, parking and other areas and facilities, and take such other actions as Landlord deems appropriate. However, Landlord shall: (a) take reasonable steps to minimize or avoid any denial of access to the Premises except when necessary on a temporary basis, and (b) in connection with entering the Premises shall comply with Section 19(B) above.

SECTION 20: LANDLORD'S RIGHT TO CURE

If Landlord shall fail to perform any obligation under this Lease required to be performed by Landlord, Landlord shall not be deemed to be in default hereunder nor subject to any claims for damages of any kind, unless such failure shall have continued for a period of thirty (30) days after notice thereof by Tenant (provided, if the nature of Landlord's failure is such that more time is reasonably required in order to cure, Landlord shall not be in default if Landlord commences to cure within such period and thereafter diligently seeks to cure such failure to completion). If Landlord shall default and failure to cure as provided herein, Tenant shall have such rights and remedies as may be available to Tenant under applicable Laws, subject to the other provisions of this Lease; provided, Tenant shall have no right of self-help to perform repairs or any other obligation of Landlord, and shall have no right to withhold, set-off, or abate Rent, or terminate this Lease, and Tenant hereby expressly waives the benefit of any Law to the contrary.

SECTION 21: RELEASE AND INDEMNITY

- Indemnity. Tenant shall indemnify, defend (using legal counsel reasonably acceptable to Landlord) and save Landlord and its property manager (if any) harmless from all claims, suits, losses, damages, fines, penalties, liabilities and expenses (including Landlord's reasonable attorneys fees incurred in connection with claims prior to Tenant's acceptance of its indemnity and defense obligations hereunder, regardless of whether such claims involve litigation) resulting from any actual or alleged injury (including death) of any person or from any actual or alleged loss of or damage to any property occurring during the Term of this Lease and arising out of or in connection with (i) Tenant's occupation, use or improvement of the Premises, or that of its employees, agents or contractors, (ii) Tenant's breach of its obligations hereunder or (iii) any negligent act or omission of Tenant or any subtenant, licensee, assignee or concessionaire of Tenant, or of any officer, agent, employee, or contractor of Tenant, or of any such entity in or about the Premises. Nothing in this Section 21(A) shall require Tenant to protect, defend and indemnify Landlord to the extent of its sole or concurrent negligence. This indemnity with respect to acts or omissions during the term of this Lease shall survive termination or expiration of this Lease. The foregoing indemnity covers actions brought by Tenant's own employees and it is specifically and expressly intended to constitute a waiver of Tenant's immunity, as respects the Landlord only, under Washington's Industrial Insurance Act, RCW Title 51, only to the extent necessary to provide Landlord with a full and complete indemnity from claims made by Tenant and its employees, to the extend provided herein. Tenant shall promptly notify Landlord of casualties or accidents occurring in or about the Premises. LANDLORD AND TENANT ACKNOWLEDGE THAT THE INDEMNIFICATION PROVISIONS OF SECTION 29 AND THIS SECTION 21 WERE SPECIFICALLY NEGOTIATED AND AGREED UPON BY THEM.
- B. Release. Subject only to Landlord's obligation for Landlord's Warranty, Tenant hereby fully and completely waives and releases all claims against Landlord for any losses or other damages sustained by Tenant or any person claiming through Tenant resulting from any accident or occurrence in or upon the Premises, including but not limited to: any defect in or failure of Building equipment; any failure to make repairs; any defect, failure, surge in, or interruption of project facilities or services; any defect in or failure of Common Areas; broken glass; water leakage; the collapse of any Building component; any claim or damage resulting from Landlord's repair, maintenance or improvements to any portion of the Building or Property; or any act, omission or negligence of co tenants, licensees or any other persons or occupants of the Building; provided only, that the release contained in this Section 21(B) shall not apply to claims for actual damage to persons or property (excluding consequential damages such as lost profits) resulting directly and solely from Landlord's negligence or willful misconduct or from Landlord's breach of its express obligations under this Lease which Landlord has not cured within a reasonable time after receipt of written notice of such breach from Tenant.

- C. Limitation on Indemnity. In compliance with RCW 4.24.115 as in effect on the date of this Lease, all provisions of this Lease pursuant to which Landlord or Tenant (the "Indemnitor") agrees to indemnify the other (the "Indemnitee") against liability for damages arising out of bodily injury to persons or damage to property relative to the construction, alteration, repair, addition to, subtraction from, improvement to, or maintenance of, any building, road, or other structure, project, development, or improvement attached to real estate, including the Premises, (i) shall not apply to damages caused by or resulting from the sole negligence of the Indemnitee, its agents or employees, and (ii) to the extent caused by or resulting from the concurrent negligence of (a) the Indemnitee or the Indemnitee's agents or employees, and (b) the Indemnitor or the Indemnitor's agents or employees shall apply only to the extent of the Indemnitor's negligence.
- **D. Definitions.** As used in any Section of this Lease establishing indemnity or release of Landlord, "Landlord" shall include Landlord, its partners, officers, agents, employees and contractors, and "Tenant" shall include Tenant and any person or entity claiming through Tenant.

SECTION 22: RETURN OF POSSESSION

At the expiration or earlier termination of this Lease or Tenant's right of possession, Tenant shall vacate and surrender possession of the entire Premises in good, neat and clean order and wellmaintained condition, ordinary wear and tear excepted, shall surrender all keys and key cards, and any parking transmitters, stickers or cards, to Landlord, and shall remove all personal property and office trade fixtures that may be readily removed without damage to the Premises or Property. improvements, fixtures and other items installed by Tenant or Landlord under or with respect to this Lease, shall be the property of Tenant during the Term of this Lease, but at the expiration or earlier termination of this Lease all such improvements, fixtures and other items shall become Landlord's property, and shall remain upon the Premises (unless Landlord elects otherwise), all without compensation, allowance or credit to Tenant. If prior to such termination or within three (3) months thereafter Landlord so directs by notice, and subject to the terms of Section 10(A) of this Lease, Tenant shall promptly remove such of the foregoing items as are designated in such notice and restore the Premises to the condition prior to the installation of such items in a good and workmanlike manner. If Tenant shall fail to perform any repairs or restoration, or fail to remove any items from the Premises required hereunder, Landlord may do so and Tenant shall pay Landlord's charges therefor upon demand. All property removed from the Premises by Landlord pursuant to any provisions of this Lease or any Law may be handled or stored by Landlord at Tenant's expense, and Landlord shall in no event be responsible for the value, preservation or safekeeping thereof. All property not removed from the Premises or retaken from storage by Tenant within thirty (30) days after expiration or earlier termination of this Lease or Tenant's right to possession, shall at Landlord's option be conclusively deemed to have been conveyed by Tenant to Landlord as if by bill of sale without payment by Landlord. Unless prohibited by applicable Law, Landlord shall have a lien against such property for the costs incurred in removing and storing the same. Tenant hereby waives any statutory notices to vacate or quit the Premises upon expiration of this Lease.

SECTION 23: HOLDING OVER

Unless Landlord expressly agrees otherwise in writing, Tenant shall pay Landlord one hundred fifty percent (150%) of the amount of Rent then applicable prorated on a per diem basis for each day Tenant shall fail to vacate or surrender possession of the Premises or any part thereof after expiration or earlier termination of this Lease, together with all damages sustained by Landlord on account thereof. Tenant shall pay such amounts on demand, and, in the absence of demand, monthly in advance. The foregoing provisions, and Landlord's acceptance of any such amounts, shall not serve as permission for Tenant to hold over, nor serve to extend the Term (although Tenant shall remain a tenant-at-sufferance bound to comply with all provisions of this Lease). Landlord shall have the right at any time after expiration or earlier termination of this Lease, or Tenant's right to possession, to reenter and possess the Premises and remove all property and persons therefrom, and Landlord shall have such other remedies for holdover as may be available to Landlord under other provisions of this Lease or applicable Laws.

SECTION 24: NOTICES

Except as expressly provided to the contrary in this Lease, every notice or other communication to be given by either party to the other with respect hereto or to the Premises, Building or Property, shall be in writing and shall not be effective for any purpose unless the same shall be served personally, or by national air courier service, or United States certified mail, return receipt requested, postage prepaid, to the parties at the addresses set forth in Section 1, or such other address or addresses as Tenant or Landlord may from time to time designate by notice given as above provided. Every notice or other communication hereunder shall be deemed to have been given as of the third business day following the date of such mailing (or as of any earlier date evidenced by a receipt from such national air courier service or the United States Postal Service) or immediately if personally delivered. Notices not sent in accordance with the foregoing shall be of no force or effect until received by the foregoing parties at such addresses required herein.

SECTION 25: REAL ESTATE BROKERS

Tenant represents that Tenant has dealt only with the broker, if any, designated in Section 1 (whose commission, if any, shall be paid by Landlord pursuant to separate agreement) as broker, agent

or finder in connection with this Lease, and agrees to indemnify and hold Landlord harmless from all damages, judgments, liabilities and expenses (including reasonable attorneys' fees) arising from any claims or demands of any other broker, agent or finder with whom Tenant has dealt for any commission or fee alleged to be due in connection with its participation in the procurement of Tenant or the negotiation with Tenant of this Lease. Landlord and Tenant recognize that it is possible that they may hereafter make additional agreements regarding further extension or renewal of this Lease or a new lease or leases for all or one or more parts of the Premises or other space in the Building (or other portions of the Property or other buildings managed by Landlord) for a term or terms commencing after the Commencement Date of this Lease. It is also possible that Landlord and Tenant may hereafter modify this Lease to add additional space or to substitute other space for all or a portion of the Premises. In the event any such additional agreements, modifications to this Lease, or new leases are made, Landlord shall have no obligation to pay any commission or other compensation to any broker or other party engaged by Tenant (including the brokers designated in Section 1) with respect to negotiating or representing Tenant in such matters, regardless of whether under the circumstances such person is or is not regarded by law as an agent of Landlord, and Tenant shall indemnify and hold Landlord harmless from any claim for such compensation. In addition, Landlord shall have no obligation to pay any commission or other compensation to any broker or other party engaged by Tenant (including the brokers designated in Section 1) with respect to representing Tenant in Tenant's exercise of its option to purchase the Option Property (and subsequent closing of such purchase) pursuant to Rider Two hereof, regardless of whether under the circumstances such person is or is not regarded by law as an agent of Landlord, and Tenant shall indemnify and hold Landlord harmless from any claim for such compensation. Nothing in this Section 25 shall be construed to require or otherwise obligate Landlord to consider or make any of the above-described additional agreements, modifications to this Lease, or new lease.

SECTION 26: NO WAIVER

No provision of this Lease will be deemed waived by either party unless expressly waived in writing and signed by the waiving party. No waiver shall be implied by delay or any other act or omission of either party. No waiver by either party of any provision of this Lease shall be deemed a waiver of such provision with respect to any subsequent matter relating to such provision, and Landlord's consent or approval respecting any action by Tenant shall not constitute a waiver of the requirement for obtaining Landlord's consent or approval respecting any subsequent action. Acceptance of Rent by Landlord directly or through any agent or lock-box arrangement shall not constitute a waiver of any breach by Tenant of any term or provision of this Lease (and Landlord reserves the right to return or refund any untimely payments if necessary to preserve Landlord's remedies). No acceptance of a lesser amount of Rent shall be deemed a waiver of Landlord's right to receive the full amount due, nor shall any endorsement or statement on any check or payment or any letter accompanying such check or payment be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the full amount due. The acceptance of Rent or of the performance of any other term or provision from, or providing directory listings or services for, any person or entity other than Tenant shall not constitute a waiver of Landlord's right to approve any Transfer. No delivery to, or acceptance by, Landlord or its agents or employees of keys, nor any other act or omission of Tenant or Landlord or their agents or employees, shall be deemed a surrender, or acceptance of a surrender, of the Premises or a termination of this Lease, unless stated expressly in writing by Landlord.

SECTION 27: SAFETY AND SECURITY DEVICES. SERVICES AND PROGRAMS

The parties acknowledge that safety and security devices, services and programs provided by Landlord, if any, while intended to deter crime and ensure safety, may not in given instances prevent theft or other criminal acts, or ensure safety of persons or property. The risk that any safety or security device, service or program may not be effective, or may malfunction, or be circumvented by a criminal, is assumed by Tenant with respect to Tenant's property and interests, and Tenant shall obtain insurance coverage to the extent Tenant desires protection against such criminal acts and other losses. Tenant agrees to cooperate in any reasonable safety or security program developed by Landlord or required by Law.

SECTION 28: TELECOMMUNICATION LINES

- A. Telecommunication Lines. No telecommunication or computer lines shall be installed within or without the Premises without Landlord's prior consent in accordance with Section 10. Landlord may arrange for an independent contractor to review Tenant's requests for approval to install any telecommunication or computer lines, monitor or supervise Tenant's installation, connection and disconnection of any such lines, and provide other such services, or Landlord may provide the same. In each case, all such work shall be performed in accordance with Section 10. At the expiration or earlier termination of this Lease, and at Landlord's request, Tenant at its cost shall remove all wires, cable or other computer or telecommunication lines or systems installed by or for Tenant (and not a part of Landlord's Work pursuant to Exhibit D), and Tenant shall restore the Premises and Building to the condition existing prior to Tenant's installation.
- B. Limitation of Liability. Unless due solely to Landlord's intentional misconduct or negligent acts, Landlord shall have no liability for damages arising, and Landlord does not warrant that the Tenant's use of any telecommunication or computer lines or systems ("Lines") will be free, from the following (collectively called "Line Problems"): (i) any eavesdropping, wire tapping or theft of long distance access codes by unauthorized parties, (ii) any failure of the Lines to satisfy Tenant's requirements, or (iii)

any capacitance, attenuation, cross talk or other problems with the Lines, any misdesignation of the Lines in any Landlord main distribution frame ("MDF") room or wire closets, or any shortages, failures, variations, interruptions, disconnections, loss or damage caused by or in connection with the installation, maintenance, replacement, use or removal of any other Lines or equipment at the Building or Property by or for other tenants at the Property or Building, by any failure of the environmental conditions at or the power supply for the Building to conform to any requirements of the Lines or any other problems associated with any Lines or by any other cause. Under no circumstances shall any Line Problems be deemed an actual or constructive eviction of Tenant, render Landlord liable to Tenant for abatement of any Rent or other charges under the Lease, or relieve Tenant from performance of Tenant's obligations under the Lease as amended herein. Landlord in no event shall be liable for any loss of profits, business interruption or other consequential damage arising from any Line Problems, and in no event shall Landlord have any liability for the acts of any third party utility or service provider, including without limitation any Line Problems or claims caused by installation, relocation or removal of such third party's power lines, cable or other service lines to, over, or under the Building, Project or Property. Without limiting the foregoing, if Landlord damages any Line, Landlord shall promptly repair the same at Landlord's cost.

SECTION 29: SUBSTANCES: DISRUPTIVE ACTIVITIES

A. Hazardous Substances.

- Presence and Use of Hazardous Substances. Tenant shall not, without Landlord's prior written consent of Landlord's sole discretion, keep on or around the Premises, Building or Property, for use, disposal, treatment, generation, storage or sale, any substances designed as, or containing components designated as, a "hazardous substance." "hazardous material." hazardous waste," "regulated substance" or "toxic substance" (collectively referred to as "Hazardous Substances"). With respect to any such Hazardous Substances, Tenant shall: (i) comply promptly, timely and completely with all Laws for reporting, keeping and submitting manifests, and obtaining and keeping current identification numbers; (ii) submit to Landlord true and correct copies of all reports, manifests and identification numbers at the same time as they are required to be and/or are submitted to the appropriate governmental authorities; (iii) within five (5) days of Landlord's request, submit written reports to Landlord regarding Tenant's use, storage, treatment, transportation, generation, disposal or sale of Hazardous Substances and provide evidence satisfactory to Landlord of Tenant's compliance with all applicable Laws; (iv) allow Landlord or Landlord's agent or representative to come on the Premises at all times to check Tenant's compliance with all applicable Laws; (v) comply with minimum levels, standards or other performance standards or requirements which may be set forth or established for certain Hazardous Substances (if minimum standards or levels are applicable to Hazardous Substances present on the Premises, such levels or standards shall be established by an on-site inspection by the appropriate governmental authorities and shall be set forth in an addendum to this Lease); and (vi) comply with all applicable Laws regarding the proper and lawful use, sale, transportation, generation, treatment and disposal of Hazardous Substances.
- 2. <u>Monitoring Costs.</u> Any and all costs incurred by Landlord and associated with Landlord's monitoring of Tenant's compliance with this Section 29, including Landlord's attorneys' fees and costs, shall be additional Rent and shall be due and payable to Landlord immediately upon demand by Landlord.

B. Cleanup Costs, Default and Indemnification.

- 1. Tenant shall be fully and completely liable to Landlord for any and all cleanup costs, and any and all other charges, fees, penalties (civil and criminal) imposed by any governmental authority with respect to Tenant's use, disposal, transportation, generation and/or sale of Hazardous Substances, in or about the Premises. Building or Property.
- 2. Tenant shall fully indemnify, defend and save Landlord and Landlord's Lender, if any, harmless from any and all of the costs, fees, penalties and charges assessed against or imposed upon Landlord (as well as Landlord's and Landlord's Lender's attorneys' fees and costs) as a result of Tenant's use, disposal, transportation, generation and/or sale of Hazardous Substances, in or about the Premises, Building or Property.
- 3. Upon Tenant's default under this Section 29, in addition to the rights and remedies set forth elsewhere in this Lease, Landlord shall be entitled to the following rights and remedies: (i) at Landlord's option, to terminate this lease immediately; and/or (ii) to recover any and all damages associated with the default, including, but not limited to cleanup costs and charges, civil and criminal penalties and fees, loss of business and sales by Landlord and other tenants of the Building or Property, any and all damages and claims asserted by third parties and Landlord's attorney's fees and costs.
- C. Disruptive Activities. Tenant shall not: (1) produce, or permit to be produced, any intense glare, light or heat except within an enclosed or screened area and then only in such manner that

the glare, light or heat shall not, outside the Premises, be materially different than the light or heat from other sources outside the Premises; (2) create, or permit to be created, any sound pressure level which will interfere with the quiet enjoyment of any real property outside the Premises, or which will create a nuisance or violate any governmental law, rule, regulation or requirement; (3) create, or permit to be created, any floor or ground vibration that is materially discernible outside the Premises; (4) transmit, receive, or permit to be transmitted or received, any electromagnetic, microwave or other radiation which is harmful or hazardous to any person or property in or about the Premises, Building or Property; or (5) create, or permit to be created, any noxious odor that is disruptive to the business operations of any other tenant in the Building or Property.

D. Landlord's Indemnity. Landlord shall fully indemnify, defend and save Tenant harmless from any and all of the costs, fees, penalties and charges assessed against or imposed upon Tenant (as well as Tenant's reasonable attorney fees and costs) as a result of Landlord's use, disposal, transportation, generation and/or sale of Hazardous Substances in or about the Building, Premises or Property.

SECTION 30: DISABILITIES ACTS

The parties acknowledge that the Americans With Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.) and regulations and guidelines promulgated thereunder ("ADA"), and any similarly motivated state and local Laws, as the same may be amended and supplemented from time to time (collectively referred to herein as the "Disabilities Acts") establish requirements for business operations, accessibility and barrier removal, and that such requirements may or may not apply to the Premises, Building and Property depending on, among other things: (i) whether Tenant's business is deemed a "public accommodation" or "commercial facility", (ii) whether such requirements are "readily achievable", and (iii) whether a given alteration affects a "primary function area" or triggers "path of travel" requirements. The parties hereby agree that: (a) Landlord shall perform any required Disabilities Acts compliance in the common areas, except as provided below, (b) Tenant shall perform any required Disabilities Acts compliance in the Premises, and (c) Landlord may perform, or require that Tenant perform, and Tenant shall be responsible for the cost of, Disabilities Acts "path of travel" and other requirements triggered by any public accommodation or other use of, or alterations in, the Premises by Tenant. Tenant shall be responsible for Disabilities Acts requirements relating to Tenant's employees.

SECTION 31: DEFINITIONS

- (A) "Building" shall mean the structure (or the portion thereof operated by Landlord) identified in Section 1 within which the Premises are located.
- (B) "Default Rate" shall mean eighteen percent (18%) per annum, or the highest rate permitted by applicable Law, whichever shall be less.
- (C) "Holidays" shall mean all federal holidays, and holidays observed by the State of Washington, including New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day, Christmas Day, and to the extent of utilities or services provided by union members engaged at the Property, such other holidays observed by such unions.
- (D) "Landlord" shall mean only the landlord from time to time, except for purposes of any provisions defending, indemnifying and holding Landlord harmless hereunder, "Landlord" shall include past, present and future landlords and their respective partners, beneficiaries, trustees, officers, directors, employees, shareholders, principals, agents, affiliates, successors and assigns.
- (E) "Law" or "Laws" shall mean all federal, state, county and local governmental and municipal laws (including without limitation Disabilities Acts), statutes, ordinances, rules, regulations, codes, decrees, orders and other such requirements, applicable equitable remedies and decisions by courts in cases where such decisions are considered binding precedents in the State of Washington, and decisions of federal courts applying the Laws of such State, at the time in question. This Lease shall be interpreted and governed by the Laws of the State of Washington.
- (F) "Lender" shall mean the holder of any Mortgage at the time in question, and where such Mortgage is a ground lease, such term shall refer to the ground Landlord (and the term "ground lease" although not separately capitalized is intended through out this Lease to include any superior or master lease).
- (G) "Mortgage" shall mean all mortgages, deeds of trust, ground leases and other such encumbrances now or hereafter placed upon the Property, Building or Premises, or any part thereof or interest therein, and all renewals, modifications, consolidations, replacements or extensions thereof, and all indebtedness now or hereafter secured thereby and all interest thereon.
- (H) "Premises" shall mean the area within the Building identified in Section 1 and Exhibit B. Possession of areas necessary for utilities, services, safety and operation of the Building, including the Systems and Equipment, fire stairways, perimeter walls, space between the finished ceiling of the Premises and the slab of the floor or roof of the Building thereabove, and the use thereof together with the right to install, maintain, operate, repair and replace the Systems and Equipment, including any of the

same in, through, under or above the Premises in locations that will not materially interfere with Tenant's use of the Premises, are hereby excepted and reserved by Landlord, and not demised to Tenant.

- (I) "Property" shall mean the real property legally described in Exhibit A of this Lease together with all landscaping, improvements and personal property located thereon and related to the Building or its operation or maintenance.
 - (J) "Rent" shall have the meaning specified therefor in Section 4.
- (K) "Systems and Equipment" shall mean any plant, machinery, transformers, duct work, cable, wires, and other equipment, facilities, and systems designed to supply light, heat, ventilation, air conditioning and humidity, or any other services or utilities, or comprising or serving as any component or portion of the electrical, gas, steam, plumbing, sprinkler, communications, alarm, security, or fire/life/safety systems or equipment, or any elevators, escalators or other mechanical, electrical, electronic, computer or other systems or equipment for the Building, except to the extent that any of the same serves particular tenants exclusively (and "systems and equipment" without capitalization shall refer to such of the foregoing items serving particular tenants exclusively).
- (L) "Tenant" shall be applicable to one or more persons or entities as the case may be, the singular shall include the plural, and if there be more than one Tenant, the obligations thereof shall be joint and several. When used in the lower case, "tenant" shall mean any other tenant, subtenant or occupant of the Building or Property.
- (M) "Tenant's Share" of Expenses and Taxes pursuant to Section 4 shall be the percentage set forth in Section 1, but if the rentable area of the Premises, Building or Project shall change, Tenant's Share shall thereupon become the rentable area of the Premises divided by the rentable area of the Building, or rentable area of the Project as applicable, excluding any parking facilities, subject at all times to adjustment under Section 4. Tenant acknowledges that the "rentable area of the Premises" under this Lease includes the usable area, without deduction for columns or projections, multiplied by a load or conversion factor, to reflect a share of certain areas, which may include lobbies, corridors, mechanical, utility, janitorial, boiler and service rooms and closets, restrooms, and other public, common and service areas, all as reasonably determined by Landlord. Except as provided expressly to the contrary herein, the "rentable area of the Building" and "rentable area of the Project" shall include all rentable area of all space leased or available for lease at the Building or Project, which Landlord may reasonably re determine from time to time, to reflect re configurations, additions or modifications to the Building or Project.

SECTION 32: DISPUTE RESOLUTION

- Generally. Except for Tenant's failure to pay any Rent when due, or any other default or dispute under this Lease which results in an imminent threat to person or property, which shall not be subject to the terms of this Section 32, Landlord and Tenant agree to use their best efforts to resolve any disputes arising under this Lease (including without limitation any disputes arising under Exhibit D of this Lease) using good faith negotiations, as provided in this Section 32. The parties' Project Managers shall communicate regularly to discuss the status of the tasks and services to be performed and to prevent disputes from arising. If a dispute arises, the parties agree to use the following dispute resolution process prior to seeking relief for such dispute in a court of law: (i) Landlord's Project Manager and Tenant's Project Manager shall confer and attempt to resolve the dispute within two (2) business days of written notification by either party; (ii) In the event the Project Managers are unable to resolve the dispute within two (2) business days as provided above, either party may refer the dispute to the Landlord's Senior Representative (identified below) and Tenant's Senior Representative (identified below) and such Senior Representatives shall confer and attempt to resolve the dispute within three (3) business days of receiving the referral; and (iii) in the event the parties Senior Representatives are unable to resolve the dispute as provided above, the dispute shall be submitted to non-binding mediation as provided in Section 32(B) below. For purposes of this Section 32, Landlord's Senior Representative shall be Quentin Kuhrau or such other Landlord Senior Vice President (or higher) as Landlord may designate by notice, and Tenant's Representative shall be the King County Executive or such Executive's senior staff member designee.
- B. Non-Binding Mediation. In the event the parties are unable to timely resolve the dispute utilizing the process set forth in Section 32(A) above, and a s a pre-condition to seeking relief for such dispute in a court of law, the parties shall submit the matter to a non-binding mediation as set forth herein. The dispute shall be submitted to the "Approved Mediator" (defined below) and the parties shall share equally in the cost of the Approved Mediator.
- (i) Exhibit D Disputes. Within fourteen (14) days of the of the effective date of this Lease, the parties shall mutually agree upon the identity of a mediator who shall be the "Approved Mediator" for mediation of all disputes arising under Exhibit D of this Lease. If the mediation has not resolved the dispute within five (5) days of submission of the dispute to the Approved Mediator, the dispute process shall be deemed exhausted, and either party may pursue any available remedy in a court of law or otherwise. Any delays to either party's ability to timely perform their respective obligations hereunder due to the selection of the Approved Mediator or the conduct of the mediation process shall be deemed to be a Force Majeure caused delay and such parties time for performance shall be extended by the number of days of such delay (including without limitation extension of the Commencement Date if applicable)

unless the party to be benefited by such extension of time has commenced, or participated in, the mediation (or mediator selection process) in bad faith.

- (ii) Other Disputes. Any other dispute under this Lease which is subject to the mediation provisions of this Section 32, and is not a dispute described in Section B(i) above, shall be referred to an Approved Mediator to be selected by the mutual agreement of the parties within thirty (30) days of the Commencement Date. The Approved Mediator for purposes of this Section 32(B)(ii) need not (but may) be the same as the Approved Mediator for purposes of Section 32(B)(i) above. If the mediation has not resolved the dispute within fourteen (14) days of submission of the dispute to the Approved Mediator, the dispute process shall be deemed exhausted, and either party may pursue any available remedy in a court of law or otherwise. Any delays to either party's ability to timely perform their respective obligations hereunder due to the selection of the Approved Mediator or the conduct of the mediation process shall be deemed to be a Force Majeure caused delay and such parties time for performance shall be extended by the number of days of such delay (including without limitation extension of the Commencement Date if applicable) unless the party to be benefited by such extension of time has commenced, or participated in, the mediation (or mediator selection process) in bad faith.
- C. Limitation. Nothing in this Section 32 shall be construed to limit, expand or modify the notice, cure and remedy provisions of Section 16 or Section 20 of this Lease. This Section 32 shall in no event apply to the Agreement of Sale in the event Tenant exercises its option pursuant to Rider Two of this Lease.

SECTION 33: MISCELLANEOUS

- A. Captions and Interpretation. The captions of the Sections and Paragraphs of this Lease are for convenience of reference only and shall not be considered or referred to in resolving questions of interpretation. Tenant acknowledges that it has read this Lease and that it has had the opportunity to confer with counsel in negotiating this Lease; accordingly, this Lease shall be construed neither for nor against Landlord or Tenant, but shall be given a fair and reasonable interpretation in accordance with the meaning of its terms. The neuter shall include the masculine and feminine, and the singular shall include the plural. The term "including" shall be interpreted to mean "including, but not limited to."
- **B.** Survival of Provisions. All obligations (including indemnity, Rent and other payment obligations) or rights of either party arising during or attributable to the period prior to expiration or earlier termination of this Lease shall survive such expiration or earlier termination.
- C. Severability. If any term or provision of this Lease or portion thereof shall be found invalid, void, illegal, or unenforceable generally or with respect to any particular party, by a court of competent jurisdiction, it shall not affect, impair or invalidate any other terms or provisions or the remaining portion thereof, or its enforceability with respect to any other party.
- D. Short Form Lease. Neither this Lease nor any memorandum of lease or short form lease shall be recorded by Tenant, but Landlord or any Lender may elect to record a short form of this Lease, in which case Tenant shall promptly execute, acknowledge and deliver the same on a form prepared by Landlord or such Lender.
- E. Light, Air and Other Interests. This Lease does not grant any legal rights to "light and air" outside the Premises nor any particular view visible from the Premises, nor any easements, licenses or other interests unless expressly contained in this Lease.
- **F.** Authority. If Tenant is any form of corporation, partnership, limited liability company or partnership, association or other organization, Tenant and all persons signing for Tenant below hereby represent that this Lease has been fully authorized and no further approvals are required, and Tenant is duly organized, in good standing and legally qualified to do business in the Premises (and has any required certificates, licenses, permits and other such items).
- **G.** Partnership Tenant. If Tenant is a partnership, all current and new general partners shall be jointly and severally liable for all obligations of Tenant hereunder and as this Lease may hereafter be modified, whether such obligations accrue before or after admission of future partners or after any partners die or leave the partnership. Tenant shall cause each new partner to sign and deliver to Landlord written confirmation of such liability, in form and content satisfactory to Landlord, but failure to do so shall not avoid such liability.

H. [Intentionally Omitted].

1. Successors and Assigns; Transfer of Property and Security Deposit. Each of the terms and provisions of this Lease shall be binding upon and inure to the benefit of the parties' respective heirs, executors, administrators, guardians, custodians, successors and assigns, subject to Section 14 respecting Transfers and Section 17 respecting rights of Lenders. Subject to Section 17, if Landlord shall convey or transfer the Property or any portion thereof in which the Premises are contained to another party, such party shall thereupon be and become landlord hereunder and shall be deemed to have fully

assumed all of Landlord's obligations under this Lease accruing during such party's ownership, including the return of any Security Deposit (provided Landlord shall have turned over such Security Deposit to such party), and Landlord shall be free of all such obligations accruing from and after the date of conveyance or transfer. Notwithstanding the foregoing, should Tenant purchase the Option Property pursuant to Rider Two of this Lease, this Lease shall become null and void and the parties hereto shall have no further liabilities to each other with respect to the subject matter of this Lease except for the provisions of this Lease which expressly survive a termination hereof.

- J. Rent and Taxes. In addition to the provisions of Section 15, all Rent due Landlord herein is exclusive of any sales, business and occupational gross receipts or tax based on rents or tax upon this Lease or tax measured by the number of employees of Tenant or the area of the Premises or any similar tax or charge. If any such tax or charge be hereafter enacted, Tenant shall reimburse to Landlord the amount thereof with each monthly Base Rent payment. If it shall not be lawful for Tenant to so reimburse Landlord, the monthly Base Rent payable to Landlord under this Lease shall be revised to net Landlord the same net rental after imposition of any such tax or charge upon Landlord as would have been payable to Landlord prior to the imposition of such tax or charge. Tenant shall not be liable to reimburse Landlord any federal income tax or other income tax of a general nature applicable to Landlord's income.
- K. Force Majeure. Neither Landlord nor Tenant shall be deemed in default under this Lease nor liable for any damages arising from its failure to perform any duty or obligation hereunder if such default or failure is due to acts of God, acts of civil or military authorities, fires, floods, windstorms, earthquakes, strikes or labor disturbances, civil commotion, delays in transportation, governmental delays or war, or similar events beyond the reasonable control of such party (each a "Force Majeure"), and in such event the time for performance shall be extended by the number of days of delay caused by such Force Majeure; provided, and notwithstanding the foregoing, no Force Majeure event shall excuse Tenant's obligation to pay when due monthly Base Rent, additional Rent, Amortization Charge or any other amounts payable hereunder.
- L. Signage. Landlord agrees to provide Tenant, at Landlord's sole cost, Building standard signage on the lobby directory board and the principal floor where the Premises are located in a manner consistent with other tenants in the Building.
- M. Applicable Law and Other Matters. This Lease shall be interpreted and construed under and pursuant to the laws of the State of Washington. Any action regarding or arising from this Lease shall be brought in the Washington State Superior Court located in the county where the Property is located. Time is of the essence of this Lease. In the event an attorney is engaged by either party to enforce the terms of this Lease or in the event suit is brought relating to or arising from this Lease, the prevailing party shall be entitled to recover from the other party its reasonable attorney fees and costs.

SECTION 34: LEASE CONTINGENCIES

- A. Purchase Contingency. This Lease and each of Landlord's and Tenant's rights and obligations hereunder are subject to and contingent upon Landlord acquiring fee title to the Building, Property and Project on terms acceptable to Landlord in its sole discretion on or prior to March 31, 2007 (the foregoing condition hereinafter the "Purchase Contingency"). In the event the Purchase Contingency is not satisfied as reasonably determined by Landlord on or prior to March 31, 2007, this Lease shall be null and void and of no further force and effect and Tenant shall have no right to use or otherwise occupy the Premises (or purchase the Building pursuant to the Purchase Option set forth in Rider Two). In the event the Contingency is satisfied as reasonably determined by Landlord on or prior to March 31, 2007, this Lease shall be fully effective and enforceable in accordance with its terms, and this Contingency shall be of no further force and effect. Landlord shall provide Tenant written notice of the satisfaction, or non-satisfaction, of this Purchase Contingency on or prior to April 15, 2007.
- Lot Line Adjustment Contingency. This Lease is subject to Landlord obtaining full and final approval from the City of Renton on terms acceptable to Landlord of a lot line adjustment which results in the creation of the Option Property as a separate legal lot in substantial accordance with the diagram attached hereto as Exhibit B on or prior to that date which is sixty (60) days from the mutual execution of this Lease (the "LLA Contingency"). In the event the LLA Contingency is not satisfied as reasonably determined by Landlord on or prior to sixty (60) days from the mutual execution of this Lease (the "LLA Contingency Expiration Date"), or the LLA Contingency is not otherwise waived in writing by Landlord on or prior to the LLA Contingency Date, this Lease shall be null and void and of no further force and effect and Tenant shall have no right to use or otherwise occupy the Premises (or purchase the Building pursuant to the Purchase Option set forth in Rider Two). In the event the LLA Contingency is satisfied as reasonably determined by Landlord on or prior to the LLA Contingency Expiration Date, or the LLA Contingency is waived in writing by Landlord on or prior to the LLA Contingency Expiration Date, this Lease shall be fully effective and enforceable in accordance with its terms, and this LLA Contingency shall be of no further force and effect. Landlord shall provide Tenant written notice of the satisfaction, or non-satisfaction of this LLA Contingency within fifteen (15) days of the LLA Contingency Expiration Date. Tenant does hereby approve the LLA site plan attached hereto as Exhibit B. Without limitation on the above, in the event the City of Renton requires any material modifications to the submitted LLA application, or Landlord makes any material changes to Exhibit B prior to submission, Landlord shall obtain Tenant's approval to any material modification as a condition to finalizing the LLA, which Tenant

approval shall not be unreasonably withheld, conditioned or delayed. In this regard, Tenant agrees to approve or disapprove any Landlord request for approval hereunder within two (2) business days (or sooner) of Landlord's delivery of written request for approval to Tenant's "Project Manager" (defined in Exhibit D), and if Tenant's Project Manager fails to so respond to Landlord in writing within such two (2) business day period, Tenant shall be conclusively deemed to have approved such request. Notwithstanding anything in this Section 34 (B) to the contrary, if the City of Renton does not approve the LLA on the terms set forth above within the LLA Contingency period, either Landlord or Tenant may terminate this Lease by notice to the other party within three (3) business days of notice of such non-approval.

- Feasibility Contingency. Tenant acknowledges that as of the date of this Lease Landlord has provided to Tenant the materials described on Exhibit F hereto respecting the Option Property (the "Diligence Materials"). For a period (the "Inspection Period") commencing on the effective date hereof and expiring thirty (30) days thereafter (such date is herein referred to as the "Inspection Period Expiration Date"), and subject to subsection (i) below. Tenant shall have the right to perform a physical and mechanical inspection, measurement and audit of the Option Property and an inspection of all books and records and financial information pertaining thereto and to perform such other studies and evaluations to determine the suitability of the Option Property for Tenant's needs (including purchase). including the impact to the value and functionality of the Premises and Option Property as a result of the anticipated I-405 Condemnation, and Landlord shall cooperate with Tenant and shall furnish to Tenant such information, materials and documents as Tenant may reasonably request. The inspection, audit and measurement of the Option Property's operation, condition and maintenance shall include, without limitation, such environmental and engineering inspections, reviews and assessments that Tenant deems appropriate; however, Tenant shall not conduct any physically destructive or invasive testing without Landlord's prior written consent. Tenant agrees that it shall not unreasonably interfere with other tenants in performing its inspection. Tenant shall perform, and shall cause its agents, employees, and contractors to perform, all inspections and reviews of the Option Property so as to minimize any damage, loss, cost, or expense to, or claims against Landlord or the Option Property. Tenant agrees not to contact any other tenant other than Work Source and WSU without prior notice to Landlord, and Landlord or its designated representative shall have to pre-approve and be present during interviews of other tenants.
- Inspection Covenants. Prior to performing any on-site testing pursuant to this Section 34(C) during the Inspection Period, Tenant shall give Landlord notice thereof, including the identity of the company or persons who will perform such testing and the proposed scope of the testing, and Landlord shall have the right to consent or refuse such testing. If Tenant or its agents, employees or contractors take any sample from the Option Property in connection with any such approved testing, upon Landlord's request, Tenant shall provide to Landlord a portion of such sample being tested to allow Landlord, if it so chooses, to perform its own testing. Landlord or its representative may be present to observe any testing or other inspection performed on the Option Property. Tenant shall indemnify, defend and hold Landlord harmless from and against any costs, damages, liabilities, losses, expenses, liens or claims (including, without limitation, reasonable attorney's fees) caused by Tenant inspection, testing or inquiries provided for in this Lease, of the Option Property by Tenant, its agents, employees or contractors including without limitation damage to the Option Property or release of hazardous substances or materials onto the Option Property, excluding, however, any costs incurred by Landlord in supervising Buyer's testing; provided, that the foregoing indemnity of Tenant shall not extend to (i) protect Landlord from any pre-existing liabilities for matters merely discovered by Tenant (i.e., latent environmental contamination) or (ii) any liens, claims, causes of action, damages, liabilities or expenses that are attributable to the action or inaction of Landlord or its agent or employees. The foregoing indemnity shall survive beyond the termination or expiration of this Lease.
- Right To Terminate and Waiver of Contingency. If Tenant, in Tenant's sole and absolute discretion, shall find its physical and financial inspection(s), studies or evaluations to be unsatisfactory for any reason whatsoever, Tenant shall have the right, at its option, to terminate the Lease by written notice to Landlord delivered to Landlord on or before the Inspection Period Expiration Date, and upon such termination, the Diligence Materials shall be returned to Landlord, and upon such return of the Diligence Materials, the parties hereto shall have no further liabilities one to the other with respect to the subject matter of the Lease, including the Purchase Option, except for the provisions of this Lease which expressly survive a termination hereof. Upon the Inspection Period Expiration Date, if Tenant has not terminated the Lease under this Section 34(C) by notice to Landlord as provided above, Tenant shall be deemed to have waived its right to terminate the Lease under this Section 34(C), this Lease shall continue in full force and effect, and the contingency set forth in this Section 34(C) shall be of no further force or effect. In the event Tenant provides Landlord written notice of its waiver of the contingency set forth in this Section 34(C) at any time on or prior to expiration of the Inspection Period, the Inspection period shall terminate, the contingency set froth in this Section 34(C) shall be deemed fully satisfied and of no further force. Tenant shall have no further right to terminate this Lease pursuant to this Section 34(C), and this Lease shall continue in full force and effect.

SECTION 35: ENTIRE AGREEMENT

This Lease, together with the Riders, Exhibits and other documents listed in Section 1 (which collectively are hereby incorporated where referred to herein and made a part hereof as though fully set forth), contains all the terms and provisions between Landlord and Tenant relating to the matters set forth herein and no prior or contemporaneous agreement or understanding pertaining to the same shall be of any force or effect, except any such contemporaneous agreement specifically referring to and modifying this Lease, signed by both parties. Neither this Lease, nor any Riders or Exhibits referred to above may

be modified, except in writing signed by both parties; provided, in the event the consent of Landlord's lender (if any) is required as a condition to the effectiveness of any amendment or modification, such modification or amendment shall not be effective until Landlord provides Tenant notice of any such Lender's written consent.

IN WITNESS WHEREOF, the parties have executed this Lease as of the date first set forth above.

LANDLORD: EARLINGTON, LLC,

a Delaware II	intel hability company
	Inico Investment Group, LLC, a Delaware limited company, Its Member
By: Its:	
TENANT:	KING COUNTY, a political subdivision of the State of Washington
BY:	· · · · · · · · · · · · · · · · · · ·
NAME	TYPED: Ronald Sims
TITLE:	King County Executive

LANDLORD ACKNOWLEDGMENT

STATE OF WASHINGTON)	
COUNTY OF KING) ss.)	
I, the undersigned, a Notary that, person GROUP, LLC, and personally known foregoing instrument, appeared befor said limited liability company being au of said company, by subscribing the and voluntary act, and as the free and the Landlord designated in the forego	tally known to me to be the to me to be the same person the me this day in person and act thorized so to do, (s)he execute name of such company by hims d voluntary act and deed of said	n whose name is subscribed to the knowledged that in such capacity of d the foregoing instrument on behalf self/herself as such officer, as a free d company, as member or agent for
GIVEN under my hand and of	fficial seal this day of	, 200
	(print Notary Public in and for th	notary's name) ne State of Washington,
	residing at My commission expires:	

TENANT ACKNOWLEDGMENT

STATE OF)		
COUNTY OF) ss.)		
On this the day of for the said County in the State	, 20, before me a Notary Public duly authorized in and aforesaid to take acknowledgments personally appeared known to me to be of KING		
acknowledged that as such officer, being behalf of said State by subscribing the na	e State of Washington described in the foregoing instrument, and g authorized so to do, (s)he executed the foregoing instrument on ame of such State by himself/herself as such officer, as his free and ry act of said State, for the uses and purposes therein set forth.		
IN WITNESS WHEREOF, I here	unto set my hand and official seal.		
	Notary Public		
	[Printed Name] Residing at		
	My Commission Expires:		

EXHIBIT A

(LEGAL DESCRIPTION OF PROPERTY)

PARCEL A:

THAT PORTION OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 32, TOWNSHIP 25 NORTH, RANGE 5 EAST, W.M., IN KING COUNTY, WASHINGTON, WHICH LIES SOUTH OF THE NORTH 99 FEET OF SAID SOUTH HALF:

EXCEPT THE SOUTH 16 1/2 FEET THEREOF; AND

EXCEPT THE WEST 30 FEET THEREOF CONVEYED TO KING COUNTY FOR ROAD BY DEED RECORDED UNDER RECORDING NO. 913744;

EXCEPT THE NORTH 13 1/2 FEET OF THE SOUTH 30 FEET, THE EAST 30 FEET, AND PORTION IN THE SOUTHWEST CORNER AS CONVEYED TO THE CITY OF BELLEVUE BY DEEDS RECORDED UNDER RECORDING NOS. 5739839, 5739841 AND 5814685; AND

EXCEPT THAT PORTION THEREOF LYING WITHIN THE SOUTH 100.00 FEET OF THE NORTH 199.00 FEET OF THE WEST 230.00 FEET OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION;

ALSO EXCEPTING A PORTION OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 32, TOWNSHIP 25 NORTH, RANGE 5 EAST, W.M., IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE NORTH MARGIN OF NORTHEAST 4TH STREET AND THE EAST MARGIN OF 108TH AVENUE NORTHEAST:

THENCE ALONG SAID NORTH MARGIN THE FOLLOWING COURSES AND DISTANCES: SOUTH 88°03'09" EAST 27.28 FEET, SOUTHEASTERLY ALONG A 186.83 FOOT RADIUS CURVE TO THE RIGHT 75.28 FEET WITH A CENTRAL ANGLE OF 23°05'12" SOUTHEASTERLY ALONG A 126.83 FOOT RADIUS CURVE TO THE LEFT 18.61 FEET WITH A CENTRAL ANGLE OF 08°24'41" TO A POINT ON A NON-TANGENT CURVE AND THE POINT OF BEGINNING OF THIS DESCRIPTION;

THENCE LEAVING SAID NORTH MARGIN EASTERLY ALONG A 2563.49 FOOT RADIUS CURVE TO THE RIGHT 57.25 FEET WITH A CENTRAL ANGLE OF 01°16'47" THE LONG CHORD OF WHICH BEARS SOUTH 87°24'49" EAST 57.25 FEET;

THENCE SOUTH 88°03'09" EAST 59.78 FEET;

THENCE SOUTH 00°10'48" WEST 3.50 FEET TO SAID NORTH MARGIN;

THENCE SOUTH 88°03'13" WEST 85.00 FEET ALONG SAID NORTH MARGIN:

THENCE NORTHWESTERLY ALONG A 126.83 FOOT RADIUS CURVE TO THE RIGHT 32.48 FEET WITH A CENTRAL ANGLE OF 14°40'30" ALONG SAID NORTH MARGIN TO THE POINT OF BEGINNING AND CONTAINING 378 SQUARE FEET, MORE OR LESS;

ALSO EXCEPTING A PORTION OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 32, TOWNSHIP 25 NORTH, RANGE 5 EAST, W.M., IN KING COUNTY; WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTH MARGIN OF NORTHEAST 4TH STREET AND THE EAST MARGIN OF 108TH AVENUE NORTHEAST;

THENCE NORTH $00^{\circ}08'48''$ EAST 178.63 FEET ALONG SAID EAST MARGIN TO THE NORTH LINE OF THE OWNER'S PROPERTY;

THENCE SOUTH 88°02'28" EAST 4.50 FEET ALONG SAID NORTH MARGIN;

THENCE SOUTH 00°08'48" WEST 167.70 FEET;

THENCE SOUTHEASTERLY ALONG A 29.50 FOOT RADIUS CURVE TO THE LEFT 11.27 FEET WITH A CENTRAL ANGLE OF 21°52'56" TO SAID NORTH MARGIN:

THENCE NORTH 88°03'09" WEST 6.63 FEET ALONG SAID NORTH MARGIN TO THE POINT OF BEGINNING AND CONTAINING 811 SQUARE FEET MORE OR LESS AS CONDEMNED BY CITY OF BELLEVUE ORDINANCE NO. 3765; AND

ALSO EXCEPTING THE NORTH 4.00 FEET OF THE SOUTH 34.00 FEET OF THE WEST 364.00 FEET OF THE EAST 394.00 FEET OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 32, TOWNSHIP 25 NORTH, RANGE 5 EAST, W.M., IN KING COUNTY, WASHINGTON DEEDED TO THE CITY OF BELLEVUE FOR ROAD PURPOSES UNDER RECORDING NO. 8409050447.

PARCEL B:

THE WEST 230 FEET OF THE SOUTH 100 FEET OF THE NORTH 199 FEET OF THE SOUTH ½ OF THE SOUTHWEST ¼ OF THE NORTHWEST ¼ OF THE NORTHWEST ¼ OF SECTION 32, TOWNSHIP 25 NORTH, RANGE 5 EAST, W.M. IN KING COUNTY, WASHINGTON; EXCEPT THE WEST 30 FEET THEREOF CONVEYED TO KING COUNTY FOR ROAD BY DEED RECORDED UNDER AUDITOR'S FILE NO. 913744.

EXHIBIT B

(Diagram of LLA and Option Property)

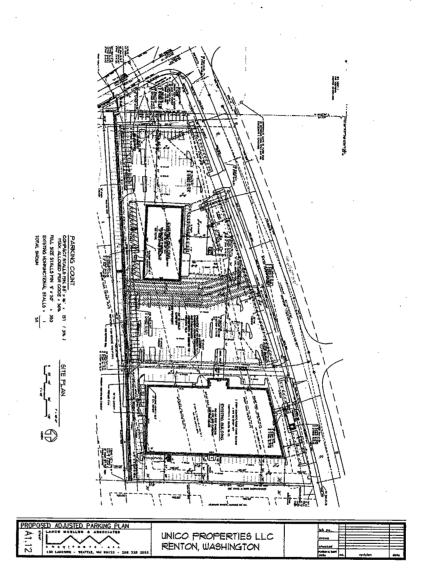


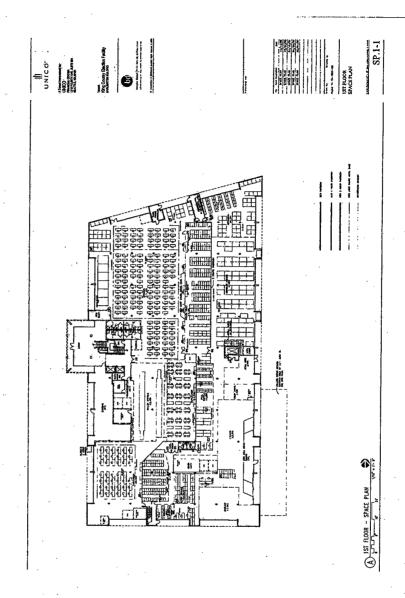
EXHIBIT B-1

(Option Property Legal Description)

[To Be Inserted Following Execution As Soon As Available Per Lease Section 1(B)]

EXHIBIT C

(Floor Plate(s) Showing Premises Excepting Noted Existing Deli)



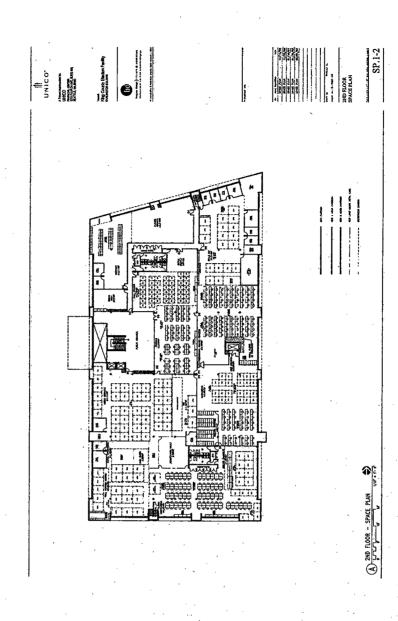


EXHIBIT D

EARLINGTON, LLC C/O UNICO INVESTMENT GROUP, LLC 1215 Fourth Avenue, Suite 600 Seattle, Washington 98161

March, 2007

King County
Division of Records, Elections and Licensing
Building A
919 SW Grady Way
Renton, Washington 98055

"TENANT"

REFERENCE: Work Letter Agreement

In accordance with the provisions of Section 2 of your Lease dated March ___, 2007 (the "Lease"), with the undersigned Landlord, the "Tenant Improvement Work" (as hereinafter defined) to the Premises shall be completed substantially in accordance with the following:

1. GENERAL INTENT, PROCEDURE AND PHASED CONSTRUCTION

- 1.1 It is the intent of this Work Letter Agreement that Landlord shall construct "Landlord's Work" (described below) in accordance with the "Approved Plans" (described below) so long as the same is consistent with structural requirements, all applicable Laws (as defined in the Lease) including applicable City of Renton building codes and other governmental rules, regulations and policies, and with sound architectural and construction practice, and that such improvements can be constructed within the cost of work provisions of Section 2 below. Capitalized terms used herein, and not otherwise defined herein, shall have the meaning defined in the Lease which definitions are incorporated herein by reference.
- 1.2 All improvements and alterations (including without limitation all finishes) proposed to be made to the Premises pursuant to this Work Letter Agreement shall be approved in advance by Landlord, shall be constructed by Landlord (or Landlord's contractor), and all contractors and subcontractors to be used with respect to such improvements or alterations, shall be selected by Landlord. All improvements and alterations so approved by Landlord are referred to as the "Tenant Improvement Work." All "turnkey" Tenant Improvement Work to be constructed by Landlord at Landlord's cost as set forth in Section 2.1 below are referred to as "Landlord's Work". The Landlord's Work shall include both improvements to the Premises and certain capital improvements to the Building all to be as set forth in the "Approved Plans" (defined below). Except as expressly provided otherwise herein (or in the Lease), all provisions of the Lease respecting alterations or improvements to the Premises shall apply to Tenant and the Tenant Improvement Work and are incorporated herein by reference.
- Landlord hereby approves and designates Burgess Design ("Burgess") as architect for preparation of the "Approved Plans" (defined below). The Approved Plans shall be generally prepared pursuant to (i) the Burgess Scope of Work, dated February 26, 2007, a copy of which is attached hereto as Exhibit D-1 (the "Scope of Work"), and the Burgess Space Plan, dated as of February 1, 2007, a copy of which is attached hereto as Exhibit D-2 (the "Space Plan"), as the same may be reasonably modified by mutual agreement of Landlord and Tenant during the plan approval process (such mutual agreement not to be unreasonably withheld, conditioned or delayed by either party). The Approved Plans shall include full construction drawings and specifications and, if necessary as determined by Landlord, appropriate Engineering reports. Landlord shall contract directly with Burgess for preparation of the Approved Plans. Burgess and Landlord shall develop the Approved Plans in stages in accordance with the design schedule attached hereto as Exhibit D-3 (the "Plan Approval Schedule"), and Tenant shall review and provide written approval of such plans at the 30%, 60% and 100% plan development stages in accordance with the Plan Approval Schedule and Section 1.4 below. Notwithstanding the foregoing, Tenant's "Project Manager" (defined below) shall have notice of, and the right to attend, all material planning meetings and conferences related to development of the Approved Plans. The final plans so approved by Landlord and Tenant at the 100% complete stage shall be the "Approved Plans" for all purposes hereunder, subject only to approved change order in accordance with the terms of Section 2, and in the event of any approved change order, such change shall become a part of the "Approved Plans". In preparing and approving the Approved Plans, Landlord and Tenant shall use their best efforts (consistent with the Scope of Work and Space Plan) to develop Approved Plans that can be constructed at a cost to Landlord of no more than approximately \$70.00 per rentable square feet of improved Premises.

1.4 Any approvals or consents required of Tenant or Tenant's Project Manager hereunder shall not be unreasonably withheld, conditioned or delayed. In the case of any such requests for approval by Landlord (including without limitation approval of the Approved Plans) Landlord shall deliver such request to Tenant in writing and Tenant shall use its best efforts to respond within three (3) business days of Landlord's request, Tenant shall be conclusively deemed to have approved such item and Landlord may proceed based upon such approval. Notwithstanding the foregoing, the dates for actions, consents or approvals set forth in Exhibit D-3 hereto shall control with respect to the specific items set forth therein. In the event Tenant requests any "Additional Tenant Improvement Work" (defined below) Tenant shall deliver such request to Landlord in writing and Landlord shall use its best efforts to respond within three (3) business days of Tenant's request. In the event Landlord fails to so respond within five (5) business days of Tenant's request, Landlord shall be conclusively deemed to have approved such Additional Tenant improvement Work.

2. COST OF TENANT IMPROVEMENT WORK

- 2.1 Landlord TurnKey Improvements ("Landlord's Work"). Landlord shall construct the improvements identified on the Approved Plans at Landlord's sole cost and expense ("Landlord's Work"). No cost of constructing Landlord's Work shall become an obligation of Tenant; provided, Tenant may be obligated to pay additional Rent for any change orders or additional work as provided in Section 2.3. Landlord and Tenant agree that the preliminary estimate of the cost of constructing Landlord's work is \$4,652,200.00 based upon 93,044 rentable square feet of Premises (the "Preliminary Landlord's Work Budget"). Upon completion and final approval of the Approved Plans, Landlord and Tenant shall agree upon a final estimate of the cost of constructing Landlord's Work (such agreement not to be unreasonably withheld by either party) (the "Final Landlord's Work Budget"), and the parties shall work in good faith using best efforts to try to agree upon Approved Plans which can be constructed for a cost not to exceed \$70.00 per rentable square feet of Premises (which is \$6,513,080.00 based on 93,044 rentable square feet) (the "Target Landlord's Work Budget"). Any improvements or alterations (if any) which are not part of Landlord's Work and expressly set forth in the Approved Plans, shall be subject to Section 2.3 of this Agreement.
- 2.1.1 Tenant Security System. There shall be included in the Final Landlord's Work Budget an allowance line item for the design and installation of security system for the Premises in an amount not to exceed \$600,000. Landlord and Tenant shall work together in selecting an appropriate expert security system consultant and contractor for Landlord to retain for this portion of Landlord's Work. In the event the cost of the security system approved by Tenant exceeds the \$600,000 allowance described above, such additional costs shall be paid as if such excess amount was "Additional Tenant Improvement Work" pursuant to Section 2.3 of this Agreement.
- Cost of Work. Costs of constructing Landlord's Work shall include all design, administration and construction costs incurred in approving and constructing the Landlord's Work in accordance with the Approved Plans including without limitation the following: all costs and fees incurred in preparing the Approved Plans, the actual construction cost of the work; any and all costs of space planning and design (including fees for interior design) and Landlord review and approval thereof (including any architectural and engineering fees incurred by Landlord); any and all operation, insurance premium, bond premiums, contingency budget amounts, maintenance, tax, utility or other fees and costs arising from the work; any costs resulting from modifications required by governmental agencies to meet building or environmental codes; the costs of any off-Premises work if such work is included in the Approved Plans, and any costs resulting from modifications to Building Systems and Equipment resulting from Landlord's Work. To compensate Landlord for its supervision, servicing and overhead, the cost of Landlord's Work shall also include a fee to Landlord (the "Management Fee") equal to five percent (5%) of the actual work cost (including any engineering or architectural fees and costs). The Management Fee shall be a charge included within the Final Landlord's Work Budget. During thee course of construction of Landlord's Work, Tenant shall have the right to reasonable review with Landlord on an "open book" basis, of Landlord's books and records respecting Landlord's administration of the Final Landlord's Work Budget on an "open book" basis, which shall include but not be limited to review of all contractor draw requests, Landlord payments, budget line item revisions (if any), progress reports and schedule of values.
- 2.3 <u>Change Orders and Other Improvements.</u> No changes to the Approved Plans shall be effective without the prior written consent of Landlord and Tenant, subject to Section 1.4 above. The cost of any changes to the Approved Plans requested by Tenant and approved by Landlord, or any other Tenant Improvement Work not set forth on Approved Plans requested by Tenant and approved by Landlord (if any) (collectively "Additional Tenant Improvement Work") shall be charged to Tenant as additional Rent and shall be subject to all other terms of this Work Letter. Any and all costs (without exception) of such Additional Tenant Improvement Work shall be paid by Tenant within thirty (30) days after the Commencement Date. Costs of such Tenant Improvement Work shall include all design, administration and construction costs incurred in approving and constructing the Tenant Improvement Work including without limitation the following: the actual construction cost of the work; any and all costs of space planning and design and Landlord review and approval thereof (including any architectural and engineering fees incurred by Landlord); any and all operation, insurance premium, maintenance, tax, utility or other fees and costs arising from the work; any costs resulting from modifications required by governmental agencies to meet building or environmental codes; and any costs resulting from modifications to Building Systems and Equipment resulting from the Tenant Improvement Work. To compensate Landlord for its supervision, servicing and overhead, the cost of such Tenant Improvement

Work shall also include a fee to Landlord (the "Management Fee") equal to two percent (2%) of the actual work cost (including any engineering or architectural fees and costs).

3. COMPLETION, TERM AND RENTAL COMMENCEMENT DATE

Subject to the provisions of Section 3 of the Lease, the Term and Tenant's obligation for the payment of rent under the Lease commences on the Commencement Date set forth in Section 1 of the Lease.

4. CONSTRUCTION BY LANDLORD'S APPROVED CONTRACTOR

Tenant agrees that, unless otherwise set forth in this Work Letter Agreement, all construction work in the Premises shall be performed by a Tenant Improvement Contractor ("TI Contractor") designated by Landlord. The TI Contractor shall perform such work in a good and workmanlike manner and shall construct the improvements in the Premises substantially in accordance with the applicable code requirements and Landlord approved construction drawings or plans. Notwithstanding the foregoing, Tenant shall have the right at Tenant's sole cost and expense to retain its own consultants and, upon reasonable prior notice to Landlord, attend periodic construction meetings and periodic inspections of the construction of the Tenant Improvement Work (including Landlord's Work). Landlord shall provide Tenant's Project Manager copies of the written minutes of each periodic construction meeting when available. In the event Tenant or Tenant's Project Manager becomes aware of any error or problem with respect to Landlord's performance or construction of Landlord's Work, or any deviation from the Approved Plans, Tenant's Project Manager shall provide Landlord's Project Manager reasonably prompt notice of the same so that Landlord may take any corrective action it deems appropriate. Contractor ensure that prevailing wages (as defined in RCW 39.12.010) are paid for all Landlord Work performed by such T-I Contractor or its subcontractors.

5. ADMINISTRATION BY LANDLORD'S ARCHITECT

Tenant agrees that all plans, specifications or design criteria shall be approved in advance by Landlord's designated architect, which architect is Burgess. Tenant may utilize an alternative architect at Tenant's sole cost for Tenant's design purposes, provided that all designs and plans are reviewed and approved by Landlord's designated architect, and Tenant provides Landlord's architect with all drawings and specifications in a format designated by Landlord's architect.

6. LANDLORD AND TENANT COORDINATOR

Landlord has designated the following "Project Manager" who shall be responsible for the implementation of all Tenant Improvement Work (including Landlord's Work) to be performed by Landlord in the Premises: Name: Julie Currier; Address: Unico Properties LLC, Allenmore B, 1901 South Union Avenue, Suite 1005, Tacoma, WA 98405; e-mail: jcurrier@unicoprop.com; Work Phone: (253) 383-2201; Mobile Phone: (253) 606-2036; and Fax No.: (253) 272-3276. Tenant has designated the following "Project Manager" who shall be responsible for all Tenant approvals and consents required of Tenant hereunder, or other issues involving Tenant and arising from the construction of the Tenant improvement Work (including Landlord's Work): Name: Jim Burt, Address: Facilities Management Division 500 Fourth Ave., Suite 320, Seattle, WA 98104, e-mail: Jim.burt@metrokc.gov, Work Phone: (206) 296-4242, Mobile Phone: (206) 661-7204; Fax No. (206) 296-0186. With regard to all matters involving such Tenant Improvement Work (including Landlord's Work), Tenant shall communicate with Landlord's Project Manager rather than with the TI Contractor or any subcontractor, and Landlord shall communicate only with Tenant's Project Manager. Landlord shall not be responsible for any statement, representation or agreement made between Tenant and the TI Contractor or any subcontractor, and Tenant shall not be responsible for any statement, representation or agreement made between Landlord and any Tenant representative other than Tenant's Project Manager. It is hereby expressly acknowledged by Tenant that such TI Contractor is not Landlord's agent and has no authority whatsoever to enter into agreements on Landlord's behalf or otherwise bind Landlord. Landlord's Project Manager will furnish Tenant's Project Manager with notices of substantial completion, cost estimates for Tenant Improvement Work, and requests for Tenant's approvals or disapprovals of all plans and drawings and changes thereto, and Tenant's Project Manager shall communicate directly with Landlord's Project Manager with respect to all matters involving this Work Letter Agreement.

7. NOTICES: DEFAULT

7.1 Any notice, statement, advice, approval, consent or other communication required or permitted to be given by either party to the other pursuant to this Work Letter Agreement shall be given in the manner set forth in Sections 1 and 24 of the Lease. A default by Tenant of any obligation hereunder shall constitute a default by Tenant under the Lease, and upon default of Tenant in payment of any sum to be paid by Tenant pursuant to this Work Letter Agreement, Landlord shall (in addition to all other remedies) have all the rights as in the case of default by Tenant in payment of Rent under the Lease.

8. NO THIRD PARTY BENEFICIARIES

8.1 No individual or entity that is not a signatory to this Work Letter Agreement (other than successors, successor's in title and assigns of the parties to this Work Letter Agreement) shall have any rights or privileges under or arising out of this Work Letter Agreement, nor shall any person or entity that

is not a signatory to this Work Letter Agreement otherwise be deemed a third party beneficiary of this Work Letter Agreement.

The foregoing Work Letter Agreement correctly sets forth our understanding as of the date first hereinabove set forth.

EARLINGTON, LLC, a Delaware limited liability company	KING COUNTY, a political subdivision of the State of Washington	
By: UNICO INVESTMENT GROUP, LLC, a Delaware limited liability company, Its	Ву:	
Authorized Agent and Property Manager	Its:	
Ву:	"TENANT"	
Its:		
"LANDLORD"		

WORK LETTER

EXHIBIT D-1

(Burgess Scope of Work)



Work Letter

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Date: Project Name: Project No:

2-26-07 King County Election Facility 16-7802-00

TENANT IMPROVEMENT SCOPE OF WORK. The following area descriptions are given for Intent only and are to be used solely as placeholders for the purpose of generating R.O.M. (Rough Order of Magnitude) budget numbers for further review and discussion. Please refer to the attached Space Plan dated 2-1-07 and contractor field verification for additional information. Shaded areas on plans are assumed N.I.C. (not in contract) unless otherwise noted.

Please note that this work letter covers both traditional tenant improvement interior issues and exterior issues or unique facility requirements associated with this project. These exterior architectural issues and other unique facility requirements that are normally not a part of a tenant improvement still need to be accounted for in the contractors pricing. This work letter will give a description of these times but it is up to the contractor to provide all cost associated with the work beyond a traditional work letter and space plan.

King County Election Facilities (KCEF) requirements have been taken from the program information dated April 14, 2006. Contractor shall review this for additional information of a general nature and for requirements defining the design build areas of this tenant improvement.

Room Specific Requirements:

GENERAL

Deli:

- KCEF shall occupy the entire building except for the existing Delitenant. Verify or provide a two hour assembly at the demissing wall between tenant and Deli. Entry to building lobby has existing one hour rated separation. This is to remain as is. Elevator equipment room has existing one hour rated separation. This is to remain as is. All electrical and HVAC systems shall be separate between the Deli and KCEF. Delitenant shall not have access to any KCEF space. After infrastructure as needed. Delitelling will require conversion to 2 hour rated construction.

Site Work:

- The building has an existing area for a generator: Repair and after as necessary to provide generators as described in other parts of this work letter. Provide complete installation of 2 scissor lifts at the exterior of the building. Assembly will include sump for recessed lift and drainage to existing catch basin in parking lot: Provide option for a new basis and centralized sump pump if existing is inadequate. Provide emote hydraulic equipment with waterproof housing. Provide additional concrete driveways as shown. Provide additional concrete driveways as shown. Provide additional sphalt to regrade to driveways as shown. Provide attributing at columns for new canopy. Provide a new painted steel canopy of approximately 3000 square feet. This canopy will have a steel frame made of standard shapes, W deck and standard commercial built up roofing for waterproofing purposes. Fire sprinklers to the exterior shall be dry pipe for freezing. Provide standard lighting under the canopy. Provide a \$2,000 allowance for stripping and directional signage.

Work Eager Page 1 of 13



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All Building Common Service Rooms:

- Replace VCT and viriyl base in areas with this finish. Use new color scheme. Repair existing stained door surfaces as required. Provide all new hardware. New lever handles shall be ADA compliance.

Elevator Lobbies (Both Floors)

- th Floors)

 Repaint with new color scheme

 Replace floor finish and base with carpet and viryl base, uno.

 Repair tile floor as necessary and provide better transition slopes to carpeted areas.

 Repaint elevator doors.

 Refinish elevator cabs in similar finishes. Use new color scheme.

New Main Restrooms:

- s. Provide paint on walls, Provide tile on wet walls, Provide tile floors
- Provide GWB ceiling.
- Provide all new B/S accessories.
- HVAC shall provide TO air changes an hour.
- Provide kick plates on doors and push pull hardware.

New Electrical Rooms:

- Provide one hour rated assemblies.
 Provide VCT and viriyl base.
 Doors shall have dead bolt locks.

All Stairwells:

- Provide one hour rated assembly except at the front and back stairwell. (Back stairway
- stays in place.) Provide all new carpet on floor, uno.
- Provide all new painted surfaces.

 Provide new brass handrails, similar to the existing condition at the front entry lower stair run at all stairs for ADA compliance.

All Ceilings:

- It is the intent of the project to reuse the existing light fixtures throughout the space.
 Provide a price option to replace all lights with 2x4 parabolic fixtures.

- All exterior doors except the main doors:

 Provide electrical intrastructure for tenant's card readers and appropriate hardware changes at all exterior doors.

 Provide new walk off mats.

Warehouse to Office:

- Provide 2 hour rated assembly per plan

 Provide 1.5 hour doors. Secure with tenant's access card reader system. Contractor shall provide electrical infrastructure only.

 - Warehouse receives 2 hour ceiling. Columns at warehouse receive 2 hour rated assembly

Work Letter



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FIRST FLOOR

First Level Lobby:

- Upgraded carpet in areas beyond the existing tile and vinyl base. 10 feet of walk off mat at doorway Convenience power and voice/data as required.

- All doors into public areas shall be secured with tenant's access card readers. Provide electrical intrastructure and electric strikes except the restrooms.

Openings Department (3.5,1):

- ment (s.s. t):

 Carpet and vinyl base.

 Power and voice data for 1 supervisor work stations.

 Power and voice data for 6 data entry work stations.

 Power for 6 envelope splitter machines. Verify requirements with tenant.

Data Entry (2.10.2):

- Carpet and vinyl base. Power and voice data for 4 staff work stations.

Ballot Vault (3.1.1 and 3.2.1):

- nd 3.2.1);
 VCT and vinyt base.
 Partition or light gauge metal cage to ceiling.
 Gates have tenants supplied card reader access. Provide electric infrastructure and

- Power and voice data for 7 staff work stations:
 Power in ceiling for strucillance.
 Power for 1 envelope machine. Verify requirements with tenant.

- Ballot or Mail Sorting (3.3.1):

 VCT and vinyl base.

 Partition of light gauge metal cage to ceiling.

 Power in ceiling for surveillance.

 Power and voice data for 6 data entry work stations.

 Power for 2 sorting machines. Verify requirements with tenant.

- Office Administration (3.9.1):

 Carpet floor and vinyl base.
 Power and voice data for 2 supervisor work stations.
 1 Asst, Superintendent office at 130 sq.ft. Provide door, lock and relite. Provide 2 duplex power-outlets and 1-voice data outlet. Provide 1 accent paint wall.
 1 conference room at 150 sq.ft. Provide door and relite. Provide 2 duplex power outlets and 2 voice data outlets. Provide 1 accent paint wall.

Disabled Access Equipment (4.5.1):

Sealed concrete floor and vinyl base.

Ballot Boxes (4.6.1):

- Sealed concrete floor and vinyl base.
 2 new roll down doors.

Retention (4.10.1):

Sealed concrete floor and vinyl base.

Work Letter



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- Leading Dock (4.11,1):

 Seafed concrete floor and virryl base.

 Power and voice data for 4 staff work stations.
 Recharge station for powered pallet jacks.

 2 new roll down doors.

- Depot Staging (4.8.1):

 Sealed concrete floor and vinyl base.
 Power and voice data for 4 staff work stations.

Warehouse Administration (4.2.1):

- Carpet floor and vinyl base, Power and voice data for 2 supervisor work stations.
- Asst. Superintendent office at 130 sq.ft. Provide door, lock and relite. Provide 2 duplex power outlets and 1 voice data outlet. Provide 1 accent paint wall. 1 conference room at 150 sq.ft. Provide door and relite. Provide 2 duplex power outlets
- and 2 voice data outlets. Provide 1 accent paint wall.

- Equipment Maintenance (4.7.1):

 Seafed concrete floor and vinyl base.

 Power and voice data for 1 staff work station.

 8 power outlets for repair tools hung from ceiling on 2 reels.

Poll Supply (4.3,1):

- Sealed concrete floor and vinyl base, Provide power and voice data for 3 staff work stations.

- Politing Place Depot Return (4.1.1):

 Sealed concrete floor and vinyl base.
 Provide power and voice data for 5 staff work stations.

Tabulation (3.8.1):

- Carpet and vinyl base. Standard interior tenant partitions.

- Power and voice data for 1 supervisor work station.

 Power and voice data for 1 supervisor work stations.

 Power and voice data for 1 QC work stations.

 Power and voice data for 1 QC work station.

 1 GEMS server room. Provide door and two relites. Sucure with tenant's card reader access Provide electrical infrastructure and electric strike. Additional surveillance power required.

Duplication (3.6.1):

- Carpet and vinyl base.
 Power and voice data for 1 supervisor work station.

Freight Elevator

- Provide complete assembly for new freight elevator in new structural penetration. Provide all structural changes to slab, pit, second floor and roof framing. Provide roofing and exterior changes as required. Provide all ventilation required.
- Provide smoke closure doors and hardware.

Work Latter Page 4 of 13



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· Infill remaining floor as required.

New Warehouse Restrooms:

- Provide paint on walls.
 Provide FRP on wet walls.
 Provide tile floors
 Provide GWB ceiling.

- Provide all news.B/S accessories.

 HVAC shall provide 10 air changes an hour.

 Provide privacy-lock with occupancy notice and kick plates on door.

SECOND FLOOR

Second Level Reception:

- uon:
 Upgraded carpet and viryl base. Include new stairway finishes.

 100 sq.ft. of GWB ceilling at reception counter.

 Provide one hour rated roll down shutters for fire proofing and after hours protection.

 Provide power and voice data for 6 workstations.

 Provide 2 dedicated quad outlets and 4 voice data outlets for printing in this area.

 6 pendern lights above desk.

- Relight/frame and window treatment as required.
 Convenience power and voice/data as required.
- All doors from public areas shall have tenants access card readers. Provide electric infrastructure and electric strikes.

All Existing Restrooms:

- Repair all finishes. Areas with wall coverings shall be removed, prepared and recovered. Repaint all GWB surfaces and toilet partitions.
- Provide all new accessories. Repair fixtures as necessary

- repair inturies as necessary.

 HVAC shall provide 10 air changes an hour.

 Provide a cost estimate to replace all finishes in the restrooms with similar finishes as existing.

 Provide a cost option to replace all second floor restrooms with new assemblies of similar size and new ADA compliant showers.

Support Area:

- Carpet and vinyl base.
 Power and voice data for 2 badgeing work stations.

Second Level Break Room:

- VCT floor and vinyl base.
- Accent paint on walls with casework.

 Provide power for 1 dishwasher, 2 microwaves, 2 refrigerators, 2 vending machines 4

- rovide power for 1 distinusters, 2 microwaves, 2 retrigerators, 2 vending machines 4 counter fielight outlets, 4 convenience outlets and one voice/data outlet. Provide new millwork
 Provide new ADA sink and faucet.
 Equipment requirements Contractor shall provide Dishwasher, Water lines for coffee machines and refrigerators, Water heater, "Instahot" Water filtration.
 Provide separate zone and switch controlled fan near sink.

Work Letter Page 5 of 13



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Existing showers:

- Repair and repaint 2 existing shower rooms: Verify or provide privacy locks with occupancy notification. Repair all tile. Provide cost option to replace tile.

- REALS Division (1.1.2, 1.2.2, 1.3.2):

 Carpet and vinyl base.

 1 Directors office at 225 square feet. Provide door, lock and relite. Provide 4 duplex power outlets and 2 voice data outlets. Provide 1 accent paint.

 Supervisors office at 130 square feet. Provide door, lock and relite. Provide 2 duplex power outlets and 1 voice data outlet. Provide 1 accent paint.

 If Mgr. office at 120 square feet. Provide door, lock and relite. Provide 4 duplex power outlets and 4 voice data outlets. Provide 1 accent paint.

 3 staff office at 120 square feet. Provide 1 accent paint.

 Staff office at 120 square feet. Provide 1 accent paint.

 Power and 1 voice data outlet. Provide 1 accent paint.

 Power and voice data for 6 staff work stations.

 Power and voice data for 7 Elect. Adm. work stations.

 Power for 2 shredders.

 - Power for 2 shredders.

 1 secure server room with VCT floor and vinyl base. Light gauge metal cage to ceiling.

 Gates have tenant's card reader access. Provide electric infrastructure and electric strike.
 - Power in ceiling for surveillance.

 1 media room for 18-24 people. Provide standard tenant partitions and carpet with vinyl base. Provide door locks and relite. Provide 4 duplex power outlets and 4 voice data outlets. Provide 1 accent paint wall:

Support (3.11.2):

New carpet and vinyl base.

Secured Storage:

- VCT and vinyl base.
- Partition or light gauge metal cage to ceiling.
- Storeroom lock on gate.

 Approximately 600 sq.ft. may require reinforcement of existing structure to 125 LL design load. This cost will be provided after structural engineers' analysis.

Provisional (2.5.2):

- Carpet and vinyl base.
 Power and voice data for 20 call center work stations.

Canvassing (2.4.2):

- Carpet and vinyl base.
 Power and voice data for 3 QC work stations.
- Power and voice data for 20 WANDA spaces.

GIS (2.7.2):

Carpet and vinyl base.



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- 1 supervisor office at 130 square feet. Provide door, lock and relite. Provide 2 duplex power outlets and 1 voice data outlet. Provide 1 accent paint. Provide 3 convenience power and voice data outlets. Power and voice data for 3 staff work stations.

Call Center (2.9.2):

- Carpet and vinyl base, Power and voice data for 40 call center work stations.

Training (2.6.2):

- Carpet and vinyl base.
- Computer training area within room with 2 doors and relites. Provide power and voice data for 30 work stations.
- Process training area within room with 2 doors and relites.

 AV storage room with lock set.

Voter Pamphlet (2.2.2):

- Carpet and vinyl base.
 Power and voice data for 8 staff work stations.

Election Operations (2,1.2):

- (2,1.2):
 Carpet and vinyl base.

 1 supervisor office at 130 square feet. Provide door, lock and relite, Provide 2 duplex power outlets and 1 voice data outlet. Provide 1 accent paint.

 1 Conference room at 225 square feet. Provide door and relite, Provide 2 duplex power outlets and 2 voice data outlet. Provide 1 accent paint.

 Power and voice data for 6 staff work stations.

Verification Vault (3.4.2):

- Carpet and vinyl base.

 Light gauge metal cage to ceiling.

 Gates have tenant's card reader access. Provide electric infrastructure and electric strike.

Verification (3.4.2):

- Carpet and vinyl base.

- Power and voice data for 2 supervisor work stations.

 Power and voice data for 69 staff work stations.

 Power and voice data for 40 reconciliation staff work stations.

 Power and voice data for 6 WANDA work stations.

- Voter Services (2:8.2):

 Carpet and vinyl base.

 1 supervisor office at 130 square feet. Provide door, lock and relite. Provide 2 duplex power outlets and 1 voice data outlet. Provide 1 accent paint.

 Power and voice data for 41 staff work stations.

 Copy printing area with 4 dedicated power and voice data outlets.

Work Letter Page 7 of 13



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- Carpet and vinvi base.
- No casework just tenant supplied storage shelves.
- Accent paint on wall.
- Approximately, 600 sq.ft. may require reinforcement of existing structure to 125 LL design load. This cost will be provided after structural engineers' analysis.

General Requirements:

- Guidelines for Proposed Tenant Improvement:
 - 1. Contractor to comply with the current "general conditions," and building requirements as provided by the building owner.

 - as provided by the building owner.

 Contractor shall be responsible for providing all work and materials in accordance with the latest local Building Codes and Ordinances.

 The Contractor shall immediately notify Architect of any discrepancies in the space plan and of any field conditions, which may cause deviation from the space plan.

 All materials to be new unless noted otherwise.

 Contractor to provide all fire/emergency systems as required by all applicable codes. Fire/emergency systems include, but are not limited to, sprinkler modifications, fire extinguishers, audible alarms, sprinklers, smoke and heat detectors, strobes, and exit

 - Mechanical, plumbing and electrical to be design build under separate permit.

 The contractor shall furnish at no cost to the County, a report by a registered professional engineer(s) showing that the building and its systems as designed and constructed will satisfy the requirements of this project (See RFP)

2. Demolition:

- Refer to field observations and the attached space plan for extent of demolition.
 Remove all abandoned low voltage cabling in ceiling plenum.
 Remove and fill all abandoned floor mounted devices. Remove all associated cabling 3. and conduit on floor below, back to source.
- and conduit on floor below, pack to source.

 Remove ceiling grid at warehouse space.

 Remove all existing low voltage cabling left by the past tenants and remove all abandoned electrical back to the panel.

 Additional demolition requirements are found throughout this work letter.

3. **Doors and Frames**

- 1. New DuraStraight style open throated doors and frames by Washington Hardwoods or approved equal stain grade wood doors, frames and relite frames. Doors shall be open threat type. Doors shall be 3' x 8' typical. Finish shall be dark stained oak similar to
- existing conditions.

 Repair and stain existing doors, door frames and relight frames. Provide cost deduction
- repair and starin existing doors, door trames and relight frames. Provide cost deduction to paint all existing doors and door frames. Clear ½" tempered glazing at all relights unless noted otherwise. Finish Hardware: Provide all new commercial grade hardware at new doors. Provide Schläge D- Lock Omega lever style. Provide new doors lock sets at existing doors. All hardware shall be ADA compliant. Locks-shall have removable cylinders. Provide master keying and 2 keys for every different lock. Provide closers on all exterior doors and doors to public areas. Toilet room doors shall have kick plates. All doors shall have door stops and silencers.
- All doors with required rating will have hollow metal frames.
- Provide 4-10'x8' exterior grade insulated roll up doors at warehouse. Provide Cookson or approved equal.

Page 8 of 13



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- 7. All hardware shall be Bronze or similar. Match existing conditions.
- Woodwork and Casework:

 1. New casework to be in accordance with AWI premium grade flush overlay construction 1.
 - of wood and plastic laminate veneer.

 2. Plastic laminate colors to be selected from Formica, Wilsonart, or Nevamar. Standard colors and patterns
- Partition and Rated Assembly Construction:

 - Standard Tenant Partition Framing: 2-1/2" 25 gauge steel studs at 24" o.c. with 5/8" type "X" GWB to ACT ceiling unless noted otherwise.
 Standard One Hour Partition Framing: 2-1/2" 20 gauge steel studs at 16" o.c. with 5/8" type "X" GWB to underside of structure above.
 Standard Two Hour Partition Framing: 2-1/2" 20 gauge steel studs at 16" o.c. with 5/8" type "X" GWB to underside of structure above.

 - type: X GWB to underside or structure above.
 At areas of existing partitions a similar 2-hour rated shaft linear assembly can be use.
 Sound insulation in all new partitions and 2'-0" tayer of sound insulation on either side of partition head above ceiling as noted. Warehouse ceiling will be insulated with R-19 for acoustical purposes only. All insulation products shall contain recovered materials as required by EPA's CPG and related recycled content recommendations. No insulation required by EPA's CPG and related recycled content recommendations. No insulation installed with this project shalf be material manufactured using chlorofluorocarbons (CFC's), nor shall CFC's be used in the installation of the product. All insulation containing fibrous materials exposed to air flow shall be rated for that exposure or shall be encapsulated. Insulating properties for all materials shall meet or exceed applicable industry standards, Polystyreie products shall meet American Society for Testing and Materials (ASTM) C578-91. All ceilling batts shall be encapsulated. Provide \$10,000 allowance for corner guards and wainscoating for protection against well demans by carti-

 - wall damage by carts.
 Light gage security fencing to underside of ceiling.
 - Warehouse areas require 2 hour horizontal rated assembly. Attach GWB assembly to underside of existing 2nd floor structure. Assembly shall comply with UL Des 538 or approved equal. Columns at warehouse areas will require 2 hour rated wrapping. This may require demolition.
 - Deli requires retrofitting of 2 hour ceiling.
- Ceilings: 1.
 - Remove all existing ceiling assemblies in area of KC tenancy. Provide all new B/S ceiling of Armstrong Cortega second look tile and grid, uno. All work per IBC.

 Provide new GWB ceilings/soffits as noted and in warehouse and new restrooms.
 - Warehouse ceiling will be GWB with exposed HVAC and electrical elements.
- - ably and Finish:

 Carpet, Building Standard direct glue: spec, color T.B.D.

 Walk off mat, Building Standard direct glue: spec, color T.B.D.

 Specifications for carpet- Pile yarn content shall be staple filament or continuous filament branded by a fiber producer (e.g., Allied, DuPont, Monsanto, BASF, Talisman Mils, wool blend, soil-hiding niylon, or wool riylon blends or polyethylerie tereprithalate (PET resin. -Pile weight shall be a minimum of 28 ounces per square yard for level-loop or textured-loop construction. The secondary back shall be jute or synthetic fiber for glue-down installation. The density shall be 100 percent nylon (loop and cut pile) with a minimum of 4:000; other fibers, including blends and combinations with a minimum of 4:000. The maximum pile height shall be ½ inch f13 mm). Exposed edges of carbon 4,500. The maximum pile height shall be 1/2 inch (13 mm). Exposed edges of carpet

Work Letter



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shall be fastened to floor surfaces and shall have trim along the entire length of the exposed edge. Pile weight shall be a minimum weight of 32 ounces per square yard for level-cut/uncut construction.

Carpet upgrade direct glue/over pad: spec color T.B.D. Base: 4" coved rubber. Roppe or approved equal

6. VCT: Two-color Armstrong Standard Excelon or approved equal, 1/4 turn in full tile pattern.

7. Prepare floor with light weight concrete underlay where required to provide approved

- 8. All adhesives employed on this project (including, but not limited to, adhesives for carpet, carpet tile, plastic laminate, well coverings, adhesives for wood, or sealants) shall be those with the lowest possible VOC content below 20 grams per liter and which meet the requirements of the manufacturer of the products adhered or involved. The contractor shall use adhesives and sealants with no formaldehyde or heavy metals
- contractor shall use adhesives and sealants with no formaldehyde or heavy metals All adjoining floor areas shall be of a common level not varying more than ¼ inch over a 10-foot, 0-inch horizontal run in accordance with the American Concrete Institute standards and non-slip, Under floor surfaces shall be smooth and level. Office areas shall have a minimum live load capacity of 50 pounds per ANSI/BOMA Office Area square foot plus 20 pounds per ANSI/BOMA Office Area square foot for moveable partitions. Storage areas shall have a minimum live load capacity of 125 pounds per ANSI/BOMA Office. Calculations and structural drawings may also be required.

Use electrostatic paint at restroom partitions and elevator cab doors and jambs.
 Provide ceramic floor tile at new restrooms.

Warehouse to have new sealer applied. Provide proper preparation including removing old glue from floor. Sealer shall be suitable for truck, car and fork lift traffic.

Wall Finish:

- Paint all walls, column and GWB ceiling/soffit surfaces. Use Miller Acro type paint.
- Paint all walls, column and GWB ceiling/soffit surfaces. Use Miller Acro type paint.

 Colors: Provide allowance for one (1) neutral field color and one (1) deep-color accent

 Prime all wall surfaces, and unless otherwise noted, paint with minimum of two (2)

 finish coats of ICI eggshell finish latex paint or approved equal at all GWB surfaces.

 Paint for the light surfaces to conform to the requirements of the "Architectural Specifications Manual" (AWS) for paint systems. Latex paint: AWS System 3-B "custom" (2-coat) grade:deep tone paint finish on gypsum board surfaces.

 Provide ceramic tile walls at new restrooms.

9.

Equipment and Miscellaneous Requirements;
1. Provide all perimeter glazing with new 1" mini blinds. Color T.R.D.
2. Full height refrigerator by G.C. - assume side-by-side fridge and freezer, 23 cubic foot

witcemaker.
Dishwasher by G.C. - standard 4-cycle residential grade.
Provide \$5000.00 allowance for interior signage.
Each toilet room shall contain the following equipment: a mirror above the lavatory, a toilet paper dispenser in each water closet stall, that will hold at least two rolls and allow easy unrestricted dispensing, a coat hook on the inside face of the door to each water closet stall and on several wall locations by the lavatories, at least one modern paper towel dispenser, soap dispenser, and waste receptacle for every two lavatories, a coin-operated sanitary napkin dispenser in the women's toilet rooms with a waste receptacle for each water closet stall, disposable toilet seat cover dispenser and proper ventilation. Verify or provide a single GFI power outlet in one location at each restroom. Verify or provide a single GFI power outlet in one location at each restroom.

6. All toilet roll dispensers shall use coreless paper produces.

Work Latter Page 10 of 13



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- 7. Provide a pricing option to retrofit the following at existing restrooms: Water closets shall not use more that 1.6 gallons per flush, urinals shall not use more than 1.0 gallons per flush and faucets shall not use more that 2.5 gallons per minute at a flowing water pressure of 80 pounds per square inch.
 New restrooms shall have the same fixtures and valves shall have automatic sensors.
- Provide 2 loading dock scissor lifts at the exterior of the warehouse area. Provide all infrastructure including construction and drainage of pft.
 Hot water heaters whether new or existing shall have leak pans.

- 10. Not water neades whether new or existing stail rave leak parts.
 11. New or existing card access security system elements shall be tied into the tenant provided system. Contractor shall provide conduit to ceiling, mud ring and pull wire.
 12. All security and CCTV systems shall be provided by tenant. Assume coordination time for tenant's vendors will be needed.
- Provide assembly for scissor lift similar to Pentalift LPE 58x with 3000-8000 (b. Capacity, Lift shall be set in sump of concrete so that lift is level with existing grade.
- 14. Provide an option for an Advance Lift 6x10 with 20,000 lb. Capacity and drive over capabilities.

15. Provide an option for 4 "Tommy" lifts to be installed on King County Vehicles.

16. Provide assembly for new freight elevator by Otis Gen2 elevator or equivalent with a capacity of 6000lbs. Dispatch interval shall not exceed 35 seconds. Include safety systems and ADA compliant operation. Finishes shall be suitable for a freight elevator. Provide 5' wide door(s).

10. HVAC:

Modify existing HVAC system with all materials, equipment, and labor for complete and operable HVAC system. System shall be an balanced per building specifications.
 The Warehouse area shall have an air evacuation system so that exhaust of running vehicles can be safely removed. Provide carbon monoxide monitors and alarms in the warehouse space and in the spaces above the warehouse. This work shall be performed

under the design build contract.

3. Provide conditioned air through medium pressure duct work at a rate of .75 cubic feet per minute per ANSI/BOMA Office Area square foot shall be provided. All areas shall be well ventilated and not subject to rapid and extreme fluctuations of temperature and humidity (i.e. more than +/-40 degrees or 40% within 25 hours. At least 80 percent of

useful life remaining.)
Zone Control, Individual control shall be provided for office space with control areas not 4. Zone Control. Individual control shall be provided for office space with control areas not to exceed 1,500 ANS/BOMA office area square feet. Areas which routinely have extended hours of operation shall be environmentally controlled through dedicated heating and air conditioning equipment. Special purpose areas (such as photocopy centers, large conference rooms, computer rooms, etc.) with an internal cooling load in excess of 5 tons shall be independently controlled. Concealed package air conditioning equipment shall be provided to meet localized spot cooling of tenant special equipment.
5. HVAC requirements for the following area shall be designed for, but not limited to:

a. Typical office: One (1) PC and monitor.
b. Mall Room/Copy area: Typical BTU loads for full size photocopier(s), postage machines, fax machine, etc.

- c. Server room. Final requirements T.B.D. by tenant.
- Electrical: (Power listed in rooms above may not total amounts listed below. Contractor shall distribute the remaining power throughout the space so that the general power use described below is priced.)
 - Project Includes two different emergency generator requirements. Contractor shall provide capability to power up 100% of the KC area of the building with portable

Page 11 of 13



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generator. Additionally, 20% of power grid shall be supported by permanent generators for 3 days. All security fixtures, including security access system, shall be on placed on the 20% power requirement.

the 20% power requirement.

Provide power and voice data capacity for 370 computer work stations and 10 printers plus an additional 80 computer type devices.

Additional power for other small industrial equipment including high speed envelope openers, envelope insertion machines, battery chargers, forklift chargers, etc. Electrical power distribution panels and circuit breakers shall be available in an electrical closet, with capacity at 277/480 voit (V) and 120/208 V, 3-phase, 4-wire system providing 8 watts (W) per ANSV8DMA Office Area square foot.

providing 8 watts (W) per ANS/BOMA Office Area square foot. Main power distribution switchboards and distribution and lighting panel boards shall be circuit breaker type with copper buses that are properly rated to provide the calculated fault circuits. All power distribution panel boards shall be supplied with separate equipment ground buses. All power distribution equipment shall be required to handle the actual specified and projected loads plus 10 percent spare load capacity. Distribution panels are required to accommodate circuit breakers for the actual calculated needs plus 10 percent spare circuits that will be equivalent to the majority of other circuit breakers in the panel system. All floors shall have 120/208 V, 3-phase, 4-wire with bond, 60 hertz electric service available.

Telecommunications floor or wall outlets shall be provided as required. At a minimum, each outlet shall house one jack for voice and three jacks for data. Contractor shall ensure that all outlets and associated wiring, copper, coaxial cable, optical fiber, or other transmission medium used to transmit telecommunications (voice, data, video, Internet,

transmission medium used to transmit telecommunications (voice, data, video, internet, or other emerging technologies) service to the workstation shall be safely concealed, in floor ducts, walls, columns, or molding. All outlets/junction boxes shall be provided with rings and pull strings to facilitate the installation of cable. Some transmission medium may require special conduit, inner duct, or shielding as specified by the County. The tenant shall at its expense be responsible for purchasing and installing data cable. The contractor shall ensure that data outlets and the associated wiring used to transmit data to workstations shall be safely concealed in floor ducts, walls, columns, or below access flooring. The contractor shall provide outlets, which shall include rings and pull strings to facilitate the installation of the data cable. When cable consists of multiple runs, the contractor shall provide ladder-type cable trays to insure that tenant-provided cable does not come into contact with suspended ceilings. Cable trays shall form a loop around the perimeter of the tenant-demised area such that they are within a 30-foot, 0-inch horizontal distance of any single drop. All tenant cabling shall be plenum rated. The contractor shall provide as part of the Tenant Improvement costs separate data, telephone, and electric junction boxes for the base feed connections to Country-provided modular or systems furniture, when such feeds are supplied via wall outlets or floor

modular or systems furniture, when such feeds are supplied via wall outlets or floor penetrations. When overhead feeds are used, junction boxes shall be installed for electrical connections. Raceways shall be provided throughout the furniture panels to distribute the electrical, telephone, and data cable. The contractor shall provide all electrical service wiring and connections to the furniture at designated junction points. electrical service-writing and connections to the furniture at designated junction points. Each electrical junction shall contain an 8-wire feed consisting of 3 general-purpose 120-V circuits with 1 neutral and 1 ground wire, and a 120-V isolated-ground circuit with 1 neutral and 1 isolated-ground wire. A 20-ampere circuit shall have no more that 8 general-purpose receptacles or 4 isolated-ground "computer" receptacles. Provide dedicated circuits to server room outlets, copy machines, insta-hots, and other items as typically required. Provide proper circuitry and protection to break room acutions and instruction outlets.

equipment and restroom outlets.

Work Letter Page 12 of 13



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- 10. Offices of below 200 sq.ft. size receive 2 duplex outlets and 1 voice data outlet. Offices Offices of below 200 sq.ft. size receive 2 displex outlets and 1 voice data outlet. Offices over 200 sq.ft. and conference rooms receive 2 duplex outlets and 2 voice data outlets. Media rooms receive 6 duplex outlets and 4 voice data outlets.
 All work stations shall be feed by power poles if no column or wall is available for power or voice data supply. Each work station shall receive 2 duplex outlets and 1 voice data

- outlet.

 12. Staff of the IT department shall receive twice as many duplex and voice data outlets.

 13. Tenant shall provide the card reader access system. Contractor is responsible for providing the electrical infrastructure.
- 14. Relocate existing electrical at locations of 2 hour shaft liner assemblies.

12.

- Lighting:

 1. Provide occupancy and daylight sensors as per the latest Washington State Energy Code
 - Provide occupating and daying the WSEC. Contractor shall install lighting fixtures for an open office plan at the rate of 1 fixture per 96 ANSIBOMA Office Area square feet. Lighting as necessary shall be provided in all building common areas.

 - Lighting as necessary shall be provided in all building common areas.
 Lighting fixture
 a. Standard office lighting: Building standard 2x4 recessed 4 tube fluorescent fixtures to match existing when new fixtures are required. Intent is to reuse as many existing fixtures as possible. Locations may change.
 b. Wall washer: Building standard open down-lights, 32w or approved equal c. Down lights: Building standard open down lights, 32w or approved equal d. Specialty lighting: \$2000 allowance.

13.

- Fire-Life Safety:

 1. Fire protection system per building standard and Local Regulations and Ordinances.

 2. Provide all emergency lighting, exit, signs, fire alarm speakers, strobes and bells as required by code. Design and install the same in compliance with the Americans with Disabilities Act.

 2. Provide excinitions fire rated doors and frames, fire extinguishers, etc. as required by

 - applicable local codes and laws.

 Fire extinguishers shall be by Underwriter's Laboratory 2A-108C 5-lb, multi-purpose extinguisher with squeeze-type handle and flexible discharge hose with visible pressure
 - gauge. Fire extinguishers shall be installed in Building Standard cabinets.
 - Provide a price option to have entire building sprinkler heads changed to NFPA 13 quick response heads in compliance with IBC 903:3.1.1.
 Fire detection system shall have external alarm and off site monitoring.

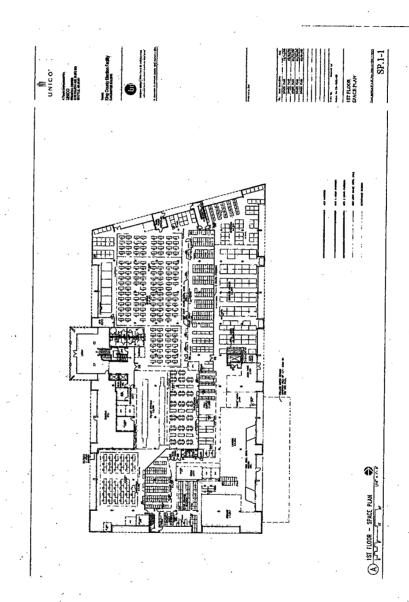
-End Work Letter-

Work Latter Page 13 of 13

WORK LETTER

EXHIBIT D-2

(Space Plan)



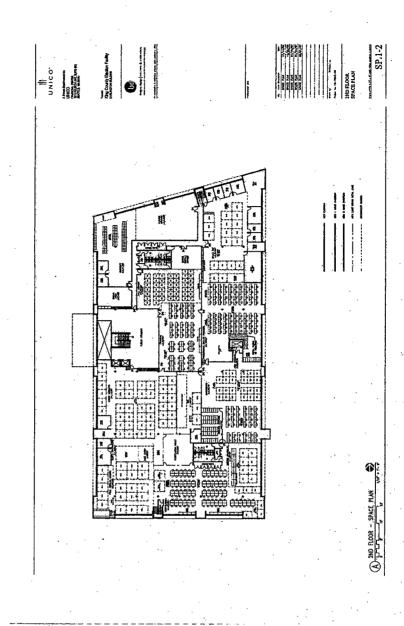


Exhibit D-2 Page 2 of 2

WORK LETTER

EXHIBIT D-3

(Design and Plan Approval Schedule)

Programming:

Commence Programming meetings: March 5, 2007 Approved Programming by KCE returned: March 30,2007

Space Planning:

Commence Space Planning meetings: April 2, 2007 Approved Space Plan by KCE returned: April 19, 2007

Issue Space Plan to GC for pricing: April 19, 2007

Design Development:

Commence DD drawings: April 2, 2007 Approved DD drawings by KCE returned: May 3,2007

Construction Documents:

Commence CD drawings: April 23, 2007

Approved CD drawings by KCE returned: May 31, 2007

Release of Long Lead Items: Elevator, steel etc. May 10, 2007

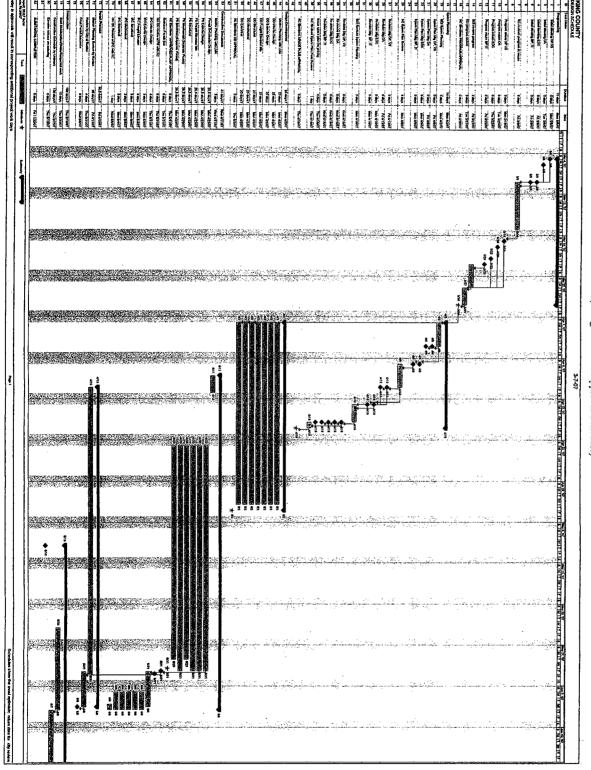
Permit Process:

Commence City Review: April 13, 2007

Issuance of Permit: June 6, 2007

Substantial Completion/Certificate of Occupancy: November 30, 2007

[EXHIBIT D-3 CONTINUED ON NEXT PAGE]



WORK LETTER
EXHIBIT D-3 (CONTINUED)
(Design and Plan Approval Schedule)

EXHIBIT E

(WSU Relocation Schedule)

Space Plan Approval:

Approved space plan/work letter WSU - March 13, 2007

Construction Documents:

Commence CD drawings: March 15, 2007

Approved CD drawings by WSU returned: March 28, 2007

Permit Process:

Commence City Review: March 29, 2007 Issuance of Permit: April 20, 2007

<u>Construction Commencement:</u> April 9, 2007 – pending City of Renton approval of demolition prior to issuance of building permit.

Substantial Completion/Certificate of Occupancy: May 31, 2007

[EXHIBIT E CONTINUED ON NEXT PAGE]

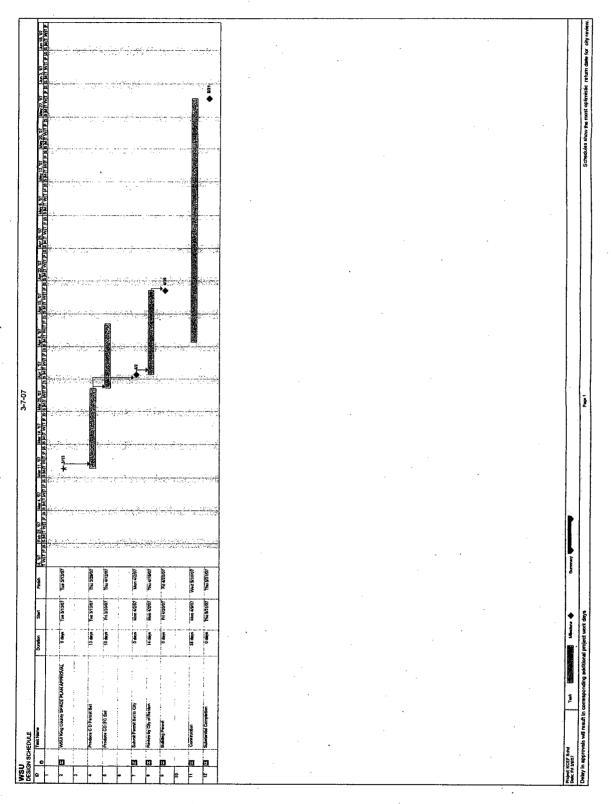


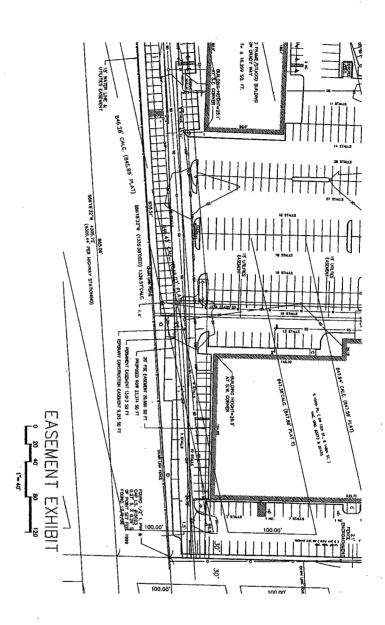
EXHIBIT F

(Diligence Materials)

Due Diligence Item	Prepared By	Date Prepared
Phase I Environmental Site Assessment	Adapt Engineering	12/18/06
Probable Maximum Loss Report	LandAmerica	12/19/06
Property Condition Report	LandAmerica	12/19/06
ALTA Survey	PACE Engineers	12/22/06
ALTA Survey with Right of Way Acquisition and Easements	Lance Mueller & Associates	01/09/07
Temporary Drive Around Plan	Lance Mueller & Associates	02/20/07
Proposed Adjusted Parking Plan	Lance Mueller & Associates	02/22/07
Proposed Retaining Wall Design	WSDOT	·

EXHIBIT G

(I-405 Condemnation Diagram)



RIDER ONE

RULES

- (1) Access to Property. On Saturdays, Sundays and Holidays, and on other days between the hours of 6:00 P.M. and 7:00 A.M. the following day, or such other hours as Landlord shall determine from time to time, access to and within the Property and/or to the passageways, lobbies, entrances, exits, loading areas, corridors, elevators or stairways and other areas in the Property may be restricted and access gained by use of a key to the outside doors of the Property, or pursuant to such security procedures Landlord may from time to time impose. Landlord shall in all cases retain the right to control and prevent access to such areas by Persons engaged in activities which are illegal or violate these Rules, or whose presence in the judgment of Landlord shall be prejudicial to the safety, character, reputation and interests of the Property and its tenants (and Landlord shall have no liability in damages for such actions taken in good faith). No Tenant and no employee or invitee of Tenant shall enter areas reserved for the exclusive use of Landlord, its employees or invitees or other Persons. Tenant shall keep doors to corridors and lobbies closed except when persons are entering or leaving.
- (2) Signs. Tenant shall not paint, display, inscribe, maintain or affix any sign, placard, picture, advertisement, name, notice, lettering or direction on any part of the outside or inside of the Property, or on any part of the inside of the Premises which can be seen from the outside of the Premises without the prior consent of Landlord, and then only such name or names or matter and in such color, size, style, character and material, and with professional designers, fabricators and installers as may be first approved or designated by Landlord in writing. Landlord shall prescribe the suite number and identification sign for the Premises (which shall be prepared and installed by Landlord at Tenant's expense). Landlord reserves the right to remove at Tenant's expense all matter not so installed or approved without notice to Tenant.
- (3) Window and Door Treatments. Tenant shall not place anything or allow anything to be placed in the Premises near the glass of any door, partition, wall or window which may be unsightly from outside the Premises, and Tenant shall not place or permit to be placed any Section of any kind on any window ledge or on the exterior walls. Blinds, shades, awnings or other forms of inside or outside window ventilators or similar devices, shall not be placed in or about the outside windows or doors in the Premises except to the extent, if any, that the design, character, shape, color, material and make thereof is first approved or designated by the Landlord. Tenant shall not install or remove any solar tint film from the windows.
- (4) Lighting and General Appearance of Premises. Landlord reserves the right to designate and/or approve in writing all internal lighting that may be visible from the public, common or exterior areas. The design, arrangement, style, color, character, quality and general appearance of the portion of the Premises visible from public, common and exterior areas, and contents of such portion of the Premises, including furniture, fixtures, signs, art work, wall coverings, carpet and decorations, and all changes, additions and replacements thereto shall at all times have a neat, professional, attractive, first class office appearance.
- (5) **Property Tradename, Likeness, Trademarks.** Tenant shall not in any manner use the name of the Property for any purpose, or use any tradenames or trademarks used by Landlord, any other tenant, or its affiliates, or any picture or likeness of the Property for any purpose other than that of the business address of Tenant, in any letterheads, envelopes, circulars, notices, advertisements, containers, wrapping or other material.
- (6) **Deliveries and Removals.** Furniture, freight and other large or heavy items, and all other deliveries may be brought into the Property only at times and in the manner designated by Landlord, and always at the Tenant's sole responsibility and risk. Landlord may inspect items brought into the Property or Premises with respect to weight or dangerous nature or compliance with this Lease or Laws. Landlord may (but shall have no obligation to) require that all furniture, equipment, cartons and other items removed from the Premises or the Property be listed and a removal permit therefor first be obtained from Landlord. Tenant shall not take or permit to be taken in or out of other entrances or elevators of the Property, any item normally taken, or which Landlord otherwise reasonably requires to be taken, in or out through service doors or on freight elevators. Landlord may impose reasonable charges and requirements for the use of freight elevators and loading areas, and reserves the right to alter schedules without notice. Any hand carts used at the Property shall have rubber wheels and sideguards, and no other material handling equipment may be brought upon the Property without Landlord's prior written approval.
- (7) **Outside Vendors.** Tenant shall not obtain for use upon the Premises ice, drinking water, vending machine, towel, janitor and other services, except from Persons designated or approved by Landlord. Any Person engaged by Tenant to provide any other services shall be subject to scheduling and direction by the manager or security personnel of the Property. Vendors must use freight elevators and service entrances.
- (8) **Overloading Floors; Vaults.** Tenant shall not overload any floor or part thereof in the Premises, or Property, including any public corridors or elevators therein bringing in or removing any large or heavy items, and Landlord may prohibit, or direct and control the location and size of, safes and all

other heavy items and require at Tenant's expense supplementary supports of such material and dimensions as Landlord may deem necessary to properly distribute the weight.

- (9) Locks and Keys. Tenant shall use such standard key system designated by Landlord on all keyed doors to and within the Premises, excluding any permitted vaults or safes (but Landlord's designation shall not be deemed a representation of adequacy to prevent unlawful entry or criminal acts, and Tenant shall maintain such additional insurance as Tenant deems advisable for such events). Tenant shall not attach or permit to be attached additional locks or similar devices to any door or window, change existing locks or the mechanism thereof, or make or permit to be made any keys for any door other than those provided by Landlord. If more than two keys for one lock are desired, Landlord will provide them upon payment of Landlord's charges. In the event of loss of any keys furnished by Landlord, Tenant shall pay Landlord's reasonable charges therefor. The term "key" shall include mechanical, electronic or other keys, cards and passes. Landlord shall not be liable for the consequences of admitting by pass key or refusing to admit to the Premises the Tenant, Tenant's agent or employees or other persons claiming the right of admittance.
- (10) Utility Closets and Connections. Landlord reserves the right to control access to and use of, and monitor and supervise any work in or affecting, the "we" or telephone, electrical, plumbing or other utility closets, the Systems and Equipment, and any changes, connections, new installations, and wiring work relating thereto (or Landlord may engage or designate an independent contractor to provide such services). Tenant shall obtain Landlord's prior written consent for any such access, use and work in each instance, and shall comply with such requirements as Landlord may impose, and the other provisions of the Lease respecting electric installations and connections, telephone Lines and connections, and alterations generally. Tenant shall have no right to use any broom closets, storage closets, janitorial closets, or other such closets, rooms and areas whatsoever. Tenant shall not install in or for the Premises any equipment which requires more electric current than Landlord is required to provide under this Lease, without Landlord's prior written approval, and Tenant shall ascertain from Landlord the maximum amount of load or demand for or use of electrical current which can safely be permitted in and for the Premises, taking into account the capacity of electric wiring in the Property and the Premises and the needs of tenants of the Property, and shall not in any event connect a greater load than such safe capacity.
- (11) **Plumbing Equipment.** The toilet rooms, urinals, wash bowls, drains, sewers and other plumbing fixtures, equipment and lines shall not be misused or used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein.
- (12) **Trash.** All garbage, refuse, trash and other waste shall be kept in the kind of container, placed in the areas, and prepared for collection in the manner and at the times and places specified by Landlord, subject to Lease provisions respecting Hazardous Materials. Landlord reserves the right to require that Tenant participate in any recycling program designated by Landlord.
- (13) Alcohol, Drugs, Food and Smoking. Landlord reserves the right to exclude or expel from the Property any person who, in the judgment of Landlord, is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of these Rules. Tenant shall not at any time manufacture or sell any spirituous, fermented, intoxicating or alcoholic liquors on the Premises, nor permit the same to occur. Tenant shall not at any time cook, sell, purchase or give away, food in any form by or to any of Tenant's agents or employees or any other parties on the Premises, nor permit any of the same to occur (other than in microwave ovens and coffee makers properly maintained in good and safe working order and repair in lunch rooms or kitchens for employees as may be permitted or installed by Landlord, which does not violate any Laws or bother or annoy any other tenant). Tenant and its employees shall not smoke tobacco on any part of the Property (including exterior areas) except those areas, if any, that are designated or approved as smoking areas by Landlord.
- (14) **Use of Common Areas; No Soliciting.** Tenant shall not use the common areas, including areas adjacent to the Premises, for any purpose other than ingress and egress, and any such use thereof shall be subject to the other provisions of this Lease, including these Rules. Without limiting the generality of the foregoing, Tenant shall not allow anything to remain in any passageway, sidewalk, court, corridor, stairway, entrance, exit, elevator, parking or shipping area, or other area outside the Premises. Tenant shall not use the common areas to canvass, solicit business or information from, or distribute any Section or material to, other tenants or invitees of the Property. Tenant shall not make any room to room canvass to solicit business or information or to distribute any Section or material to or from other tenants of the Property and shall not exhibit, sell or offer to sell, use, rent or exchange any products or services in or from the Premise unless ordinarily embraced within the Tenant's use of the Premises expressly permitted in the Lease.
- (15) Energy and Utility Conservation. Tenant shall not waste electricity, water, heat or air conditioning or other utilities or services, and agrees to cooperate fully with Landlord to assure the most effective and energy efficient operation of the Property and shall not allow the adjustment (except by Landlord's authorized Property personnel) of any controls. Tenant shall not obstruct, alter or impair the efficient operation of the Systems and Equipment, and shall not place any item so as to interfere with air flow. Tenant shall keep corridor doors closed and shall not open any windows, except that if the air circulation shall not be in operation, windows which are openable may be opened with Landlord's consent. If reasonably requested by Landlord (and as a condition to claiming any deficiency in the air-conditioning or ventilation services provided by Landlord), Tenant shall close any blinds or drapes in the Premises to prevent or minimize direct sunlight.

- (16) **Unattended Premises.** Before leaving the Premises unattended, Tenant shall close and securely lock all doors or other means of entry to the Premises and shut off all lights and water faucets in the Premises (except heat to the extent necessary to prevent the freezing or bursting of pipes).
- (17) Going-Out-Of-Business Sales and Auctions. Tenant shall not use, or permit any other party to use, the Premises for any distress, fire, bankruptcy, close-out, "lost our lease" or going-out-of-business sale or auction. Tenant shall not display any signs advertising the foregoing anywhere in or about the Premises. This prohibition shall also apply to Tenant's creditors.
- (18) Labor Harmony. Tenant shall not use (and upon notice from Landlord shall cease using) contractors, services, workmen, labor, materials or equipment, or labor and employment practices that, in Landlord's good faith judgment, may cause strikes, picketing or boycotts or disturb labor harmony with the workforce or trades engaged in performing other work, labor or services in or about the Property.
- (19) Prohibited Activities. Tenant shall not: (i) use strobe or flashing lights in or on the Premises, (ii) install or operate any internal combustion engine, boiler, machinery, refrigerating, heating or air conditioning equipment in or about the Premises, (iii) use the Premises for housing, lodging or sleeping purposes or for the washing of clothes, (iv) place any radio or television antennae other than inside of the Premises, (v) operate or permit to be operated any musical or sound producing instrument or device which may be heard outside the Premises, (vi) use any source of power other than electricity, (vii) operate any electrical or other device from which may emanate electrical, electromagnetic, energy, microwave, radiation or other waves or fields which may interfere with or impair radio, television, microwave, or other broadcasting or reception from or in the Property or elsewhere, or impair or interfere with computers, faxes or telecommunication lines or equipment at the Property or elsewhere, or create a health hazard, (viii) bring or permit any bicycle or other vehicle, or dog (except service animal) or other animal or bird in the Premises or Building, (ix) make or permit objectionable noise, vibration or odor to emanate from the Premises, (x) do anything in or about the Premises or Property that is illegal, immoral, obscene, pornographic, or anything that may in Landlord's good faith opinion create or maintain a nuisance, cause physical damage to the Premises or Property, interfere with the normal operation of the Systems and Equipment, impair the appearance, character or reputation of the Premises or Property, create waste to the Premises or Property, cause demonstrations, protests, loitering, bomb threats or other events that may require evacuation of the Building, (xi) advertise or engage in any activities which violate any code of ethics or licensing requirements of any professional or business organization. (xii) throw or permit to be thrown or dropped any item from any window or other opening in the Property, (xiii) use the Premises for any purpose, or permit upon the Premises or Property anything, that may be dangerous to persons or property (including firearms or other weapons (whether or not licensed or used by security guards) or any explosive or combustible items or materials) (xiv) place vending or game machines in the Premises, except vending machines for employees which shall be at Tenant's sole cost and expense and only upon prior notice to and consent of Landlord, (xv) adversely affect the indoor air quality of the Premises or Property, (xvi) use the Premises for cooking or food preparation other than preparation of coffee, tea and similar beverages, or customary microwave use, for Tenant and its employees, or (xvii) do or permit anything to be done upon the Premises or Property in any way tending to disturb, bother, annoy or interfere with Landlord or any other tenant at the Property or the tenants of neighboring property, or otherwise disrupt orderly and quiet use and occupancy of the Property.
- (20) **Transportation Management.** Tenant shall comply with all present or future programs intended to manage parking, transportation or traffic in and around the Property, and in connection therewith, Tenant shall take responsible action for the transportation planning and management of all employees located at the Premises by working directly with Landlord, any governmental transportation management organization or any other transportation-related committees or entities.
- (21) **Parking.** Subject to any contrary provisions of this Lease, if the Property now or hereafter contains, or Landlord has obtained the right to use for the Property, a parking garage, structure, facility or area, the following Rules shall apply therein:
- (i) Parking shall be available in areas designated by Landlord from time to time, and for such daily or monthly charges as Landlord may establish from time to time. Parking for Tenant and its employees and visitors shall be on a "first come, first served," unassigned basis, in common with Landlord and other tenants at the Property, and their employees and visitors, and other Persons to whom Landlord shall grant the right or who shall otherwise have the right to use the same. However, in no event shall Tenant and Tenant's employees and visitors use more spaces than the number derived by applying Tenant's Pro Rata Share (as defined in the Lease) to the total number of unassigned spaces in the area or areas designated by Landlord from time to time to serve the Premises. In addition, Landlord reserves the right to: (x) adopt additional requirements or procedures pertaining to parking, including systems with charges favoring carpooling, and validation systems, (y) assign specific spaces, and reserve spaces for small and other size cars, disabled persons, and other tenants, customers of tenants or other parties, and (z) restrict or prohibit full size vans and other large vehicles.
- (ii) Monthly fees shall be paid in advance prior to the first of each month. Failure to do so will automatically cancel parking privileges, and incur a charge at the posted daily parking rate. No deductions from the monthly rate will be made for days on which the Garage is not used by Tenant or its designees. In case of any violation of these rules, Landlord may also refuse to permit the violator to park, and may remove the vehicle owned or driven by the violator from the Property without liability whatsoever, at such violator's risk and expense. Landlord reserves the right to close all or a portion of

the parking areas or facilities in order to make repairs or perform maintenance services, or to alter, modify, re-stripe or renovate the same, or if required by casualty, strike, condemnation, act of God, Law or governmental requirement or guideline, termination or modification of any lease or other agreement by which Landlord obtained parking rights, or any other reason beyond Landlord's reasonable control. In the event access is denied for any reason, any monthly parking charges shall be abated to the extent access is denied, as Tenant's sole recourse.

- (iii) Hours shall be reasonably established by Landlord or its parking operator from time to time; cars must be parked entirely within the stall lines, and only small or other qualifying cars may be parked in areas reserved for such cars; all directional signs, arrows and speed limits must be observed; spaces reserved for disabled persons must be used only by vehicles properly designated; washing, waxing, cleaning or servicing of any vehicle is prohibited; every parker is required to park and lock his own car, except to the extent that Landlord adopts a valet parking system; parking is prohibited in areas: (a) not striped or designated for parking, (b) aisles, (c) where "no parking" signs are posted, (d) on ramps, and (e) loading areas and other specially designated areas. Delivery trucks and vehicles shall use only those areas designated therefor.
- (iv) Parking stickers, key cards or any other devices or forms of identification or entry shall remain the property of Landlord. Such devices must be displayed as requested and may not be mutilated in any manner. The serial number of the parking identification device may not be obliterated. Devices are not transferable and any device in the possession of an unauthorized holder will be void. Loss or theft of parking identification, key cards or other such devices must be reported to Landlord or any garage manager immediately. Any parking devices reported lost or stolen which are found on any unauthorized car will be confiscated and the illegal holder will be subject to prosecution. Lost or stolen devices found by Tenant or its employees must be reported to Landlord or the office of the garage immediately.
- (22) Responsibility for Compliance. Tenant shall be responsible for ensuring compliance with these Rules, as they may be amended, by Tenant's employees and as applicable, by Tenant's agents, invitees, contractors, subcontractors, and suppliers. Tenant shall cooperate with any reasonable program or requests by Landlord to monitor and enforce the Rules, including providing vehicle numbers and taking appropriate action against such of the foregoing parties who violate these provisions.

Rider Two EARLINGTON BUSINESS CENTER OFFICE LEASE

TENANT: KING COUNTY

OPTION ADDENDUM

This Option Addendum ("Addendum") is made of even date with, and as a part of, that certain Earlington Business Center Office Lease Agreement dated March, __, 2007, between Earlington, LLC, a Delaware limited liability company ("Landlord"), and King County, a political subdivision of the State of Washington ("Tenant").

- A. Option to Purchase. On and subject to the terms of this Addendum, and provided Tenant is not in default of this Lease at the time of Tenant's exercise of this option and as of the closing of the sale of the "Option Property" (defined in the Lease) to Tenant (the "Default Condition"), Landlord hereby grants to Tenant the exclusive option to purchase from Landlord the Option Property as the same is more fully described in the Agreement of Sale attached hereto as Rider Two Exhibit A, and fully incorporated herein by reference. Tenant's option to purchase the Option Property on the terms set forth in this Addendum is hereinafter referred to as the "Purchase Option".
- Exercise of Purchase Option and Term of Purchase Option. Subject to all terms and conditions of this Addendum, including without limitation satisfaction of the Default Condition, Tenant may exercise the Purchase Option only by giving irrevocable written notice of exercise to Landlord between the first day of the thirteenth (13th) full calendar month from the date Landlord acquires fee title to the Option Property (the "initial Exercise Date") and no later that date which is one hundred eighty (180) days from the Initial Exercise Date (the Outside Exercise Date"), which written notice of exercise shall also include two (2) executed and completed originals of the Agreement of Sale. Notwithstanding the foregoing, if the Lease Commencement Date has not occurred by the Initial Exercise Date, then the Initial Exercise Date shall be automatically adjusted to be the Lease Commencement Date. The Option Property legal description to be attached to the Agreement of Sale by Tenant shall be the new legal description to be created for the Option Property as a result of the LLA (defined in the Lease). Notice of exercise of the Purchase Option as described above shall be referred to hereinafter as the "Purchase Notice." Within ten (10) days of receipt of the complete Purchase Notice, Landlord shall execute the Agreements of Sale and deliver an original to Tenant. In the event Tenant does not deliver the complete Purchase Notice to Landlord on or prior to the Outside Exercise Date, this Purchase Option shall terminate and be of no further force or effect. In the event Tenant properly exercises this Purchase Option but thereafter fails to close on the purchase of the Option Property in accordance with the Agreement of Sale for any reason other than Landlord's default of the Agreement of Sale, this Purchase Option shall terminate and the Lease shall continue in full force and effect. In the event Tenant properly exercises this Purchase Option but the sale of the Option Property from Landlord to Tenant pursuant to the Agreement of Sale fails to close due to Seller's default as set forth in Section 12 of the Agreement of Sale, and as a result of such default Tenant terminates the Agreement of Sale in accordance with the terms of Section 12 of the Agreement of Sale, Tenant may terminate the Lease upon thirty (30) days advance notice to Landlord delivered to Landlord within thirty (30) days of such termination of the Agreement of Sale (but not otherwise), which shall be in addition to any other remedies provided Tenant in Section 12 of the Agreement of Sale for such default.
- C. <u>Purchase Price and Closing.</u> In the event Tenant properly exercises the Purchase Option, the purchase price for the Option Property, the closing of the sale, and all other terms and conditions respecting the purchase and sale of the Option Property pursuant to this Purchase Option shall be as set forth in the Agreement of Sale, all of which is fully incorporated herein by reference.
- **D.** Assignment. This Purchase Option is personal to Tenant and Tenant may not assign or otherwise transfer this Purchase Option or any rights hereunder to any third party. Notwithstanding anything in the Lease to the contrary, this Purchase Option shall terminate and be void in the event the lease is assigned or any part of the Premises are sublet, or Tenant's interest in the Premises are otherwise transferred, unless otherwise agreed in writing by Landlord in its sole discretion.
- E. <u>Recording.</u> Neither party shall record this Addendum or the Lease. Notwithstanding the foregoing, at the request of either party, a short form memorandum of this Purchase Option may be recorded in a form approved by, and executed by both parties, which approval and execution shall not be unreasonably withheld, conditioned or delayed.
- F. Notices. Except as expressly provided otherwise in this addendum, any notice or demand under this addendum shall be given as set forth in section 24 of the lease.

All of the provisions set forth in this Addendum are intended to and shall become a part of the Lease. All capitalized Terms not otherwise defined herein shall have the meaning set forth in the Lease.

[Signatures on Following Page]

EXECUTED as of the date first above written.

LANDLORD:	EARLINGTON, LLC, a Delaware limited liability company	
	By: Unico Investment Group, LLC, a Delaware limited liability company, Its Authorized Agent and Property Manager	
	By	
·	lts	
TENANT:	KING COUNTY, a political subdivision of the State of Washington	
	Ву	
	Its	

RIDER TWO EXHIBIT A

EARLINGTON BUSINESS CENTER OFFICE LEASE TENANT: KING COUNTY

AGREEMENT OF SALE

by and between

EARLINGTON LLC,

as Seller

and

KING COUNTY,

as Buyer

Dated:

Earlington Business Center, Building A

Renton, Washington

This AGREEMENT OF SALE (this "Agreement") is made this day of, 200_ between EARLINGTON LLC, a Delaware limited liability company, having its principal office at 1218 Fourth Avenue, Suite 600 Seattle, Washington 98161 ("Seller"), and KING COUNTY, a political subdivision of the State of Washington, having its principal office at ("Buyer").
BACKGROUND
The Background of this Agreement is as follows:
A. Seller is the owner of a tract of land being comprised of a parcel of property, together with the building and improvements thereon, including an office building containing approximately 94,847 square feet of rentable area, located at 919 SW Grady Way, Renton, Washington 98055, as more fully described on Exhibit A attached hereto (the "Land");
B. Buyer and Seller entered into an Office Building Lease dated, 2007 (the "Lease") for a portion of the Premises (as defined below). The Lease is attached hereto as Exhibit F and is incorporated into this Agreement.
C. Seller desires to sell to Buyer and Buyer desires to purchase from Seller the Property (as defined below) referred to in this Agreement, upon the terms and conditions set forth herein.
TERMS AND CONDITIONS
NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and with the preceding Background paragraphs incorporated by reference, the parties hereto, intending to be legally bound hereby, covenant and agrees as follows:
1. <u>PROPERTY BEING SOLD.</u> Seller shall sell, transfer and convey to Buyer on the Closing Date (as hereinafter defined), <u>Real Property.</u> (i) Fee simple interest in the parcel of Land, all as more fully described on <u>Exhibit A</u> , with the building and improvements thereon, commonly known as "Earlingtor Business Center – Building A" and (ii) all of the easements, licenses, rights of way, privileges hereditaments, appurtenances, and rights to any land lying in the beds of any street, road or avenue open or proposed, adjoining thereto, and inuring to the benefit of said property referred to in (i) and (ii) above (hereinafter collectively referred to as the "Premises").
1.2 Personal Property. All equipment, fixtures, machinery and personality of every description attached to or specifically used in connection with the Premises (and not owned by tenants under leases of the Premises), all contract rights, guaranties and warranties of any nature, all architects' engineers', surveyors' and other real estate professionals' plans, specifications, certifications, contracts, reports, data or other technical descriptions, reports or audits all without warranty as to completeness or accuracy ("Contract Documents"), all governmental permits, licenses, certificates, and approvals in connection with the ownership of the Premises ("Licenses"), all escrow accounts, deposits, instruments, documents of title, general intangibles, and all of Seller's rights, claims, and causes of action if any, to the extent they are assignable, under any warranties and/or guarantees of manufacturers, contractors or installers, all rights against tenants under Leases (as hereinafter defined) and others relating to the Premises or the operation or maintenance thereof, including to the extent applicable, any warranties from any previous owners of the Premises (the Contract Documents, Licenses and all other items described in this Section 1.2 being collectively referred to as "Personal Property"); and
1.3 <u>Leases</u> . All leases, licenses and other occupancy agreements for any part of the Premises and all prepaid rent and unapplied security deposits (the "Leases").
The Premises, Leases and Personal Property are sometimes hereinafter referred to as "Property."
2. PURCHASE PRICE AND MANNER OF PAYMENT.
2.1 Purchase Price. Buyer shall pay the total sum of Twenty Four Million Nine Hundred Thirty Four Thousand and No/100 Dollars (\$24,934,000.00) (the "Purchase Price") subject to adjustment, as provided in this Agreement.
2.2 Escalator. The Purchase Price shall increase by One Hundred Eight Thousand Five Hundred Fifty One and No/100 Dollars (\$108,551.00) (the "Escalator Amount") for each thirty (30) day period starting from the first day of the fifth full month after the Commencement Date (as defined in the Lease) of the Lease and ending on the Closing Date (or if applicable, such pro-rated Escalator Amount based on occupancy of the Premises pursuant to Section 3(B)(i) of the Lease); provided that if the period of time between the last full thirty day period and the Closing Date is less than thirty days the Escalator Amount for this period shall be prorated for the number of days in such period

2.3 Contingency Credit. Pursuant to the terms of the Lease, the parties agreed on a Final Landlord's Work Budget (as defined in the Lease) and a Landlord's Guaranty (as defined in the

Lease) for Landlord's Work (as defined in the Lease). In the event the Final Landlord Work Budget is less than Landlord's Guaranty, the difference between the two budgets, but in no case more than Four Million Five Hundred Forty Thousand and NO/100 Dollars (\$4,540,000.00), shall be a credit in favor of Buyer and deducted from the Purchase Price.

- 2.4 Rent Credit. All amounts Buyer pays to Seller prior to the Closing as Base Rent (as defined in Section 1H. of the Lease) or as a delay fee (as described in Section 3B of the Lease) shall be a credit in favor of Buyer and deducted from the Purchase Price; provided that Tenant shall not receive a credit for the first Two Hundred Thousand and NO/100 (\$200,000.00) it pays to Buyer as a delay fee.
- 2.5 Amortization Credit. All amounts Buyer pays to Seller prior to the Closing as the amortized principal portion of the Amortization Charges (as defined in Section 1J. of the Lease) shall be a credit in favor of Buyer and deducted from the Purchase Price.
- 2.6 Manner of Payment. The Purchase Price shall be paid by Buyer on the Closing Date (as hereinafter defined), by bank cashier's, certified check, or by wire transfer of immediately available funds, subject to adjustment as herein provided.
- 3. <u>TiTLE</u>. On the Closing Date, Seller shall convey to Buyer by a statutory warranty deed good and indefeasible fee simple title to the Premises subject only to the Permitted Exceptions (as hereinafter defined), which title shall be insurable at regular rates by Transnation Title Insurance Company ("Escrow Agent" or "Escrowee") (in such capacity, "Title Company") under an ALTA standard form of Owner's Policy of Title Insurance ("Title Policy").
- 4. <u>COVENANTS</u>. In addition to the covenants contained in the other items of this Agreement, Seller covenants that it shall:
- 4.1 <u>Maintenance</u>. At all times prior to the Closing Date, maintain the Property in good condition and repair, reasonable wear and tear excepted, operate the Property in accordance with substantially the same management practices and leasing standards as currently done, and pay in the normal course of business prior to Closing, all sums due for work, materials or service furnished or otherwise incurred in the ownership and operation prior to Closing.
- 4.2 <u>Alterations</u>. Not make or permit to be made any alterations, improvements or additions to the Property without the prior written consent of Buyer, except those made by Seller if required by applicable law or ordinance, or as required under any Lease.
- 4.3 <u>Lease</u>. Not enter into any Lease (or any renewal, extension or modification of any Lease requiring Seller's approval pursuant to such Lease) after the effective date (as defined in Section 16.9) of this Agreement without Buyer's prior written consent, such consent to be given (or absent a rejection, it shall be deemed given) or withheld within three (3) business days of Buyer's receipt of a copy of the new Lease (or renewal, extension or modification, as applicable) that Seller wishes to execute, together with all brokerage agreements (collectively, the "Lease Documents").
- 4.4 <u>Security Deposits</u>. Not apply any tenant's security deposit to the discharge of such tenant's obligations, without Buyer's consent, which shall not be unreasonably withheld.
- 4.5 <u>Bill Tenants</u>. Timely bill all tenants for all rent billable under Leases and use its commercially reasonable efforts to collect any rent in arrears.
- 4.6 Notice to Buyer. Notify Buyer promptly of the occurrence of any of the following: (i) a fire or other casualty causing damage to the Property, or any portion thereof; (ii) except as set forth on Exhibit C, receipt of notice of eminent domain proceedings or condemnation of or affecting the Property, or any portion thereof; (iii) receipt of notice from any governmental authority or insurance underwriter relating to the condition, use or occupancy of the Property, or any portion thereof, or any real property adjacent to any of the Property, or setting forth any requirements with respect thereto; (iv) receipt or delivery of any default or termination notice or claim of offset or defense to the payment of rent from any tenant; (v) receipt of any notice of default from the holder of any lien or security interest in or encumbering the Property, or any portion thereof; (vi) a change in the occupancy of the leased portions of the Premises; (vii) notice of any actual litigation against Seller or affecting or relating to the Property, or any portion thereof.
- 4.7 <u>No New Agreements</u>. Except for agreements which can be terminated on not more than thirty (30) days notice without penalty or termination fee, not enter into any other agreements which affect the Property or the transactions contemplated by this Agreement, without the prior written consent of Buyer (not to be unreasonably withheld); and not permit the creation of any liability which shall bind Buyer or the Premises after Closing.
- 5. <u>REPRESENTATIONS AND WARRANTIES.</u> In order to induce Buyer to enter into this Agreement, Seller hereby represents and warrants to Buyer that the following representations and warranties are true now and will be true in all material respects at Closing:

- 5.1 <u>Seller's Authority For Binding Agreement</u>. Seller is a duly authorized and validly existing limited liability company formed under the laws of Delaware. Seller has full power, right and authority to own its properties, to carry on its business as now conducted, and to enter into and fulfill its obligations under this Agreement. Each of the persons or entities executing this Agreement on behalf of Seller is authorized to do so. This Agreement is the valid and legally binding obligation of Seller, enforceable against Seller in accordance with its terms. The execution and delivery of this Agreement and compliance with its terms will not conflict with or result in the breach of any law, judgment, order, writ, injunction, decree, rule or regulation, or conflict with or result in the breach of any other agreement, document or instrument to which Seller is a party or by which it or the Property is bound or affected.
- 5.2 Service Contracts. Exhibit B attached hereto is a list of all existing service, equipment, supply and maintenance contracts with respect to or affecting the Property (the "Service Contracts" which shall be deemed part of the Contract Documents), and except as stated on Exhibit B each of such Service Contracts is terminable at will without penalty or cancellation fee upon no more than thirty (30) days notice. No written notice of default or breach by Seller in the terms of any of such Service Contracts has been received by Seller. Seller has performed, and at Closing shall have performed, all material obligations which it has under said Service Contracts. Within five (5) business days of the effective date of this Agreement, Buyer shall notify Seller in writing of which Service Contracts Buyer requests that Seller deliver written termination at or prior to Closing. Seller shall deliver at Closing notices of termination of all Service Contracts that are not so assumed; provided, that Seller shall not be required to terminate any Service Contract that, under its terms, cannot be terminated or can only be terminated upon payment of a termination fee (unless Buyer agrees to pay such termination fee at Closing).
- 5.3 <u>Condemnation</u>. Except as set forth on <u>Exhibit C</u>, there is no condemnation or eminent domain proceeding pending with regard to any part of the Property, and to the best of Seller's knowledge, no such proceedings are proposed.
- 5.4 No Lawsuits. Except as set forth on Exhibit D, claims covered by Seller's insurance and claims against Seller for which Seller agrees to indemnify Buyer, there are no claims, lawsuits or proceedings pending, or to Seller's knowledge, threatened against or relating to the Property in any court or before any governmental agency, except for actions for possession, damages and/or rent, if any, against defaulted tenants as disclosed by Seller to Buyer. Notwithstanding anything in this Agreement to the contrary, the filing or threatened filing of any claim, lawsuit or proceeding described in this Section 5.4 after the effective date of this Agreement shall not be deemed to be a breach of this Section 5.4 so long as (i) Seller promptly notifies Buyer of such matter pursuant to Section 4.6(vii) hereof, and (ii) such proceeding is either a claim covered by Seller's insurance or a claim against Seller for which Seller agrees to indemnify Buyer.
- 5.5 <u>Leases</u>. Other than as set forth on <u>Exhibit E</u>, there are no oral or written Leases or rights of occupancy or grants or claims of right, title or interest in any portion of the Premises as of the effective date hereof.

5.6 Compliance with Law.

- 5.6.1 Seller has received no written notice alleging that the Property is in violation of applicable laws, rules or regulations which has not been remedied.
- 5.6.2 Except as set forth in any environmental report previously delivered to Buyer by Seller (the "Report"), to Seller's knowledge, which knowledge is based on the Report and any notices received thereafter, there are no Hazardous Substances (as defined below) and no Hazardous Wastes (as defined below) present on the Property including, without limitation, asbestos, flammable substances, explosives, radioactive materials, hazardous wastes, toxic substances, pollutants, pollution, contaminant, polychlorinated biphenyls ("PCBs"), urea formaldehyde foam insulation, radon, corrosive, irritant, biologically infectious materials, petroleum product, garbage, refuse, sludge, hazardous or waste materials (other than cleaning materials and office supplies used by Seller or tenants in the ordinary course of their respective businesses). To Seller's knowledge, Seller has not been identified in any litigation, administrative proceeding or investigation as a responsible party or potentially responsible party for any liability for clean-up costs, natural resource damages or other damages or liability for prior disposal or release of Hazardous Substances, Hazardous Wastes or other environmental pollutants or contaminants at the Property, and to Seller's knowledge, no lien or superlien has been recorded, filed or otherwise asserted against any real or personal property of Seller for any clean-up costs or other costs incurred in connection with any environmental contamination that is attributable, in whole or in part, to Seller. For purposes of this Agreement, "Hazardous Substances" means those elements and compounds which are designated as such in Section 101(14) of the Comprehensive Response, Compensation and Liability Act (CERCLA), 42 U.S.C. Section 9601 (14), as amended, all petroleum products and byproducts, and any other hazardous substances as that term may be further defined in any and all applicable federal, state and local laws; and "Hazardous Wastes" means any hazardous waste, residential or household waste, solid waste, or other waste as defined in applicable federal, state and local laws. Seller has not received any summons, citation, directive, letter or other communication, written or oral, from any governmental or quasi-governmental authority concerning any intentional or unintentional action or omission on Seller's part which (a) resulted in the releasing, spilling, leaking, pumping, pouring, emitting, emptying or dumping of Hazardous Substances or Hazardous Wastes at the Property, or (b) related in any way to the generation, storage, transport, treatment or disposal of Hazardous Substances or Hazardous Wastes by Seller at the Property.

- 5.7 <u>No Brokers</u>. Except as set forth in Leases and brokerage contracts delivered to Buyer, no brokerage or leasing commission or other compensation is now, or will at Closing be, due or payable to any person, firm, corporation, or other entity with respect to or on account of any of the Leases, or any extensions or renewals thereof.
- 5.8 <u>All Taxes and Assessments Paid.</u> Seller will have paid prior to Closing, all taxes and assessments, including assessments payable in installments, which are to become due and payable and/or a lien on the Property, except for taxes for the current year which shall be prorated at Closing.
- 5.9 <u>FIRPTA</u>. Seller is not a "foreign person" as such term is defined in Section 1445(f)(3) of the Internal Revenue Code of 1954, as amended (the "Code").

Except as expressly set forth in this Agreement or in the Lease, Seller has not made and does not hereby make any representations, warranties or other statements as to the condition of the Property and Buyer acknowledges that at Closing it is purchasing the Property on an "AS IS, WHERE IS" basis and without relying on any representations and warranties of any kind whatsoever, express or implied, from Seller, its agents or brokers as to any matters concerning the Property. Except as expressly set forth in this Agreement or the Lease, no representations or warranties have been made or are made and no responsibility has been or is assumed by Seller or by any partner, officer, person, firm, agent or representative acting or purporting to act on behalf of Seller as to the condition or repair of the Property or the value, expense of operation, or income potential thereof or as to any other fact or condition which has or might affect the Property or the condition, repair, value, expense of operation or income potential of the Property or any portion thereof. The parties agree that all understandings and agreements heretofore made between them or their respective agents or representatives are merged in this Agreement and the Schedules and Exhibits hereto annexed, which alone fully and completely express their agreement, and that this Agreement has been entered into after full investigation, or with the parties satisfied with the opportunity afforded for investigation, neither party relying upon any statement or representation by the other unless such statement or representation is specifically embodied in this Agreement or the Schedules and Exhibits annexed hereto. Buyer acknowledges that Seller has requested Buyer to inspect fully the Property and investigate all matters relevant thereto and, with respect to the condition of the Property, to rely solely upon the results of Buyer's own inspections or other information obtained or otherwise available to Buyer, rather than any information that may have been provided by Seller to Buyer. The phrase "to Seller's knowledge" or any similar knowledge qualification shall be deemed to mean, and shall be limited to, the actual knowledge (as distinguished from implied, constructive or imputed knowledge) of manager for the Premises ("Seller's Representative"), without such person having made or having any obligation to make any independent inquiry or investigation. Buyer agrees that no Seller's Representative shall have any personal liability arising out of any representations or warranties made hereunder. If any representation or warranty above is known by Buyer prior to Closing to be untrue, Buyer shall immediately notify Seller of Buyer's discovery thereof, and if any breach of a representation or warranty is not remedied by Seller prior to Closing, Buyer may as Buyer's sole and exclusive remedy, either (i) terminate this Agreement whereupon neither party shall have any further rights or obligations pursuant to this Agreement, other than as set forth herein with respect to rights or obligations which survive termination, or (ii) waive its objections and close the transaction without any reduction in the Purchase Price and without being liable thereafter to Buyer for any such breach of a representation or warranty known by Buyer to be untrue on or before the Closing Date.

6. <u>POSSESSION</u>. Possession of the Premises is to be given to Buyer, subject to the right of tenants under the Leases on the Closing Date, by delivery of the Deed, and all keys, combinations and security codes at Closing.

BUYER'S REVIEW AND APPROVAL OF TITLE AND SURVEY.

- 7.1 <u>Title Commitment</u>. Following the effective date of this Agreement, Buyer shall promptly obtain a current title commitment from the Title Company and copies of all documents listed as exceptions in the title commitment (collectively, the "Title Commitment"). Buyer shall promptly deliver a copy of such Title Commitment to Seller.
- 7.1.1 In the event the Title Commitment or the Survey identifies any title exceptions or defects in title that are unacceptable to Buyer ("Title Objections"), Buyer shall notify Seller thereof within the earlier to occur of (a) ten (10) days after Buyer's receipt of the Title Commitment, or (b) fourteen (14) days after the effective date of this Agreement, and Seller shall elect, by written notice to Buyer within five (5) business days of Buyer's notice, whether to correct such defects prior to Closing. If Seller fails to timely respond to any Title Objection(s), Seller shall be deemed to have notified Buyer that Seller has elected not to cure the Title Objection(s) in question. In the event Seller cannot correct such defects by Closing or chooses not to correct (or is deemed to have elected not to correct) such defects, then Buyer may accept title as is without abatement or reduction of Purchase Price or Buyer may cancel this Agreement. Notwithstanding anything herein to the contrary, at or prior to Closing, Seller, at its expense, shall (i) release any mortgage lien secured by the Premises and all related financing statements and other instruments related to such financing and (ii) release any mechanic's lien, if any, arising directly from work performed at the request of Seller pursuant to a written agreement with Seller (which liens may be insured around with the Title Company), (all of the foregoing being herein collectively referred to as

"Mandatory Cure Items"). As used herein, the term "Permitted Exceptions" means all matters shown on the Title Commitment with respect to which Buyer does not make a timely Title Objection, except (i) those matters, if any, that Seller has agreed in writing to cure prior to Closing or which are waived by Buyer in accordance with this Section 7.1.1, and (ii) the Mandatory Cure Items.

7.2 <u>Survey</u>. Within five (5) days after the effective date of this Agreement, Seller shall deliver to Buyer any historic survey of the Premises in Seller's possession, and, Buyer, at Buyer's sole cost and expense, may order an updated survey (the "Survey"), prepared by a duly licensed land surveyor acceptable to Buyer.

FIRE OR OTHER CASUALTY.

- 8.1 <u>Maintain Insurance</u>. Seller shall maintain in effect until the Closing Date the insurance policies (or like policies) now in effect with respect to the Premises and Personal Property. <u>Minimal Damage</u>. If prior to the Closing Date any portion of the Property is damaged or destroyed by fire or other casualty, and the cost of repair or restoration thereof shall be \$700,000 or less (as established by good faith estimates obtained by Buyer which are reasonably satisfactory to Seller), this Agreement shall remain in force and Seller shall commence to repair any such damage prior to Closing, if possible.
- 8.2 <u>Substantial Damage</u>. If prior to the Closing Date any portion of the Property is damaged or destroyed by fire or other casualty, and the cost of repair or restoration thereof shall be more than \$700,000 (as established by good faith estimates obtained by Buyer which are reasonably satisfactory to Seller), Buyer may within thirty (30) days after receipt of notice of said damage or destruction, terminate this Agreement by giving written notice thereof to Seller, and if this Agreement is other inability hereunder thereafter, except for the provisions hereof which expressly survive a termination of this Agreement. If Buyer does not so terminate this Agreement, it shall remain in full force and effect, and the provisions of Section 8.4 below shall apply.
- 8.3 <u>Closing After Substantial Damage</u>. So long as this Agreement shall remain in force under Section 8.2 or 8.3, then (i) all proceeds of insurance collected prior to Closing, plus the amount of deductible under Seller's insurance policy, shall be adjusted subject to Buyer's approval and participation in any adjustment, and shall be credited to Buyer against the Purchase Price payable by Buyer at Closing, and (ii) all unpaid claims and rights in connection with losses shall be assigned to Buyer at Closing.
- CONDEMNATION. Except for the condemnation proceedings set forth on Exhibit C, if, prior to the Closing Date, all or any portion of the Premises is taken by eminent domain or a notice of any eminent domain proceedings with respect to the Premises or any part thereof is received by the Seller, then Seller shall within five (5) days thereafter give notice thereof to Buyer and Buyer shall have the option to (a) complete the purchase hereunder or (b) if such taking, in Buyer's reasonable discretion, materially and adversely affects the Premises or its current economic viability, terminate this Agreement, in which event this Agreement shall be null and void, except for the provisions hereof which expressly survive a termination hereof. Buyer shall deliver written notice of its election to the Seller within the earlier of (i) twenty (20) days after the date upon which the Buyer receives written notice of such eminent domain proceedings or (ii) the Closing Date. If notice of condemnation is received by Buyer and it fails to deliver said written notice of its election within said time period, such failure shall constitute a waiver by Buyer of its right to terminate this Agreement. If this Agreement is not so terminated, Buyer shall be entitled to all awards or damages by reason of any exercise of the power of eminent domain or condemnation with respect to or for the taking of the Premises or any portion thereof upon Closing. Any negotiation for, or agreement to, and all contests of any offers and awards relating to eminent domain proceedings shall be conducted with the joint approval and consent of the Seller and the Buyer.

10. EXPENSE ALLOCATIONS.

- 10.1 Buyer shall pay for all recording charges for the Deed and any financing documents relating to Buyer's financing, any endorsements to the Title Policy or any premiums in addition to the premiums for a standard policy of title insurance, any update of the Survey and any other costs incurred by Buyer in connection with its inspection of the Property.
- 10.2 Seller shall pay for any transfer taxes due upon sale or conveyance of the Property, the premium for a standard policy of title insurance, any recording fees for the release of liens released by Seller and documents required to effect any cure of Title Objections that Seller has elected to cure in accordance with this Agreement.
- 10.3 Buyer and Seller shall be responsible for paying their own attorney's fees in connection with this transaction.

11. CLOSING.

11.1 Time and Date and Place. The Closing on the sale of the Property (herein referred to as the "Closing") shall take place on a date specified by Buyer in writing to Seller at least five (5) days prior to the specified Closing Date, but in any event no later than thirty (30) days following the effective date of this Agreement (the "Closing Date"), at the offices of the Title Company, commencing

at 10:00 a.m. or at such other location and time as may be required by Buyer's lender, or by an escrow closing or by mail if mutually agreed upon by Buyer, Seller and Title Company.

- 11.2 Documents. At Closing, the parties indicated shall simultaneously execute and deliver the following:
- 11.2.1 Seller's Documents and Other Items. Seller shall execute and deliver or cause to be executed and delivered to Buyer in proper form for recording:
- 11.2.1.1 Deed. A Statutory Warranty Deed prepared by Seller's counsel in form reasonably acceptable to Buyer (the "Deed"), conveying the Premises to Buyer, duly executed by Seller for recording. The Deed description shall be based upon the description of the Property attached as Exhibit A.
- 11.2.1.2 Bill of Sale. A bill of sale prepared by Seller's counsel in form reasonably acceptable to Buyer, assigning, conveying and transferring to Buyer, all of the Personal Property, free and clear of all liens, encumbrances and interests whatsoever.
- 11.2.1.3 Original Licenses, Contract Documents and Other Personal Property. All original Leases and Licenses, Contract Documents, and other Personal Property described in Section 1.2 of this Agreement.
- 11.2.1.4 Assignment of Licenses, Contract Documents and Other Personal Property. An assignment agreement prepared by Seller's counsel, in form reasonably acceptable to Buyer, assigning, conveying and transferring to Buyer the Leases and the Licenses, Contract Documents and other Personal Property, including all warranties, guarantees, maintenance contracts, and equipment warranties received by Seller from the T-I Contractor (as such term is defined in Exhibit D to the Lease), and any subcontractor, supplier, materialmen or equipment manufacturer arising from the performance of any of Landlord's Work (as such term is defined in Exhibit D to the Lease). Such assignment shall provide that Buyer will assume all of Seller's obligations first arising and accruing from and after the Closing Date under the Leases and Contract Documents, and Seller shall be responsible for all of Seller's obligations thereunder accruing prior to the Closing Date. Notwithstanding the foregoing, such assignment will not adversely affect Seller's ability to independently enforce all warranties, or warranty claims, against any contractors, suppliers or materialmen during the Landlord Warranty Period (as such term is defined is Section 2C. of the Lease). In the event any contractor, supplier, materialmen or equipment manufacturer provides a warranty that is of longer duration than Landlord's Warranty Period (as such term is defined is Section 2C. of the Lease), nothing herein shall be deemed to affect or limit the duration of such third party warranties.
- 11.2.1.5 FIRPTA and Certificates Required by Law. All certificate(s) required under Section 1445 of the Code.
- 11.2.1.6 Title Insurance Certificates. Such affidavits of title or other certifications as shall be reasonably required by the Title Company to insure Buyer's title to the Premises as set forth in Section 3.
- 11.2.1.7 Seller Certificate. written certification confirming that as of Closing no representation or warranty of Seller contained in this Agreement contains any untrue statement of a material fact or knowingly omits to state a material fact necessary to make any representation or warranty contained herein not misleading.
- Keys. All keys, combinations and security codes for all locks and security devices on the Property;
- 11219 Tenant Letter. Letters to each tenant advising of the change in ownership and directing the payment of rent to such party as the Buyer shall designate, said letter to be in form reasonably acceptable to Buyer.
- 11.2.1.10 Seller's Authority. Proof reasonably satisfactory to the Title Company of Seller's good standing and authority to enter into this transaction and proof of existence and authority of the general partner of Seller to act on behalf of the Seller as its general partner.
- 11.2.1.11 Tenant Estoppel. Seller shall make good faith commercially reasonable efforts to deliver at Closing, an executed estoppel certificate from Myung H. Yoo, DBA City Cafe, in substantially the form attached as Exhibit F.
- 11.2.2 Buyer's Documents. Buyer shall deliver or cause to be delivered to Seller:

11.2.2.1 The amounts required to be paid to Seller pursuant to this Agreement:

11.2.2,2 Confirmation of the existence of Buyer, and the

authority of those executing for Buyer.

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- 11.3 Necessary Documents. Buyer and Seller shall execute and deliver such other documents and instruments as may be reasonably necessary to complete the transaction contemplated by this Agreement.
- 11.4 Title Policy. It shall be a condition to Buyer's obligations on the Closing Date that the Title Company shall be ready, willing and able to issue to Buyer the Title Policy in the full amount of the Purchase Price, subject only to the Permitted Exceptions, upon the payment of title premiums.

12. <u>DEFAULT; REMEDIES.</u>

- 12.1 In the event that any of Seller's material representations, warranties or covenants contained in this Agreement are untrue in any material respect or if Seller shall have failed to have performed any of the material covenants and/or agreements contained in this Agreement which are to be performed by Seller, on or before the date set forth in this Agreement for the performance thereof, or if any of the conditions precedent to Buyer's obligation to consummate the transaction contemplated by this Agreement shall have failed to occur (and the failure of any such condition is not attributable to a default by Buyer which has not been cured within the applicable cure period, and the aforesaid event materially and adversely affects either Buyer's intended use of the Property or the value thereof), Buyer may, at its option, either (i) terminate this Agreement by giving written notice of such termination to Seller and thereupon the parties shall have no further liability to each other hereunder, except for the provisions hereof which expressly survive a termination hereof or (ii) in the alternative, Buyer may seek to enforce specific performance of this Agreement.
- 12.2 If this Agreement is not consummated by reason of Buyer's default, Seller, as its sole and exclusive remedy, shall be entitled to recover damages from Buyer in the amount of \$1,000,000 as liquidated damages. The parties agree that Seller's damages are difficult to ascertain and that the liquidated damages amount of \$1,000,000 is a fair approximation of Seller's damages.

13. PRORATIONS.

- 13.1 Operating Expenses. The following items shall be prorated at Closing, as of close of business of the day immediately preceding the Closing Date (the "Adjustment Date"):
- 13.1.1 <u>Rents and Taxes</u>. Rents, operating expenses, real estate and personal property taxes, if any, on the basis of the fiscal year for which assessed. If the Closing shall occur before the tax rate or assessment is fixed, the apportionment of such real estate and personal property taxes at the Closing shall be upon the basis of the tax rate for the next preceding year applied to the latest assessed valuation. Final adjustment will be made upon the actual tax amount, when determined.

13.1.2 [Intentionally Omitted.]

- 13.1.3 <u>Water and Sewer Charges</u>. Water and sewer charges and fire protection and inspection services based upon meter readings to be obtained by Seller effective as of the Adjustment Date, or if not so obtainable, a date not more than ten (10) days prior to the Adjustment Date, and the unfixed meter charges based thereon for the intervening period shall be apportioned on the basis of such last reading. Upon the taking of a subsequent actual reading, such apportionment shall be readjusted and Seller or Buyer, as the case may be, will promptly deliver to the other the amount determined to be so due upon such readjustment. If Seller is unable to furnish such prior reading, any reading subsequent to the Closing will be apportioned on a per diem basis from the date of such reading immediately prior thereto and Seller shall pay the proportionate charges due up to the date of Closing.
- 13.1.4 <u>Assigned Contracts</u>. Amounts paid or payable in respect of any service and maintenance contracts assigned to Buyer in accordance herewith.
- 13.1.5 <u>Electricity, gas, steam and fuel.</u> Electricity, gas and steam and fuel oil, if any, based on meter readings or a fuel company letter showing measurement on the Adjustment Date and valued at current prices.
- 13.2 <u>Custom and Practice</u>. Except as set forth in this Agreement, the customs of the State and County in which the Premises are located shall govern prorations.
- 13.3 <u>Future Installments of Taxes.</u> If at Closing, the Property or any part thereof shall be or shall have been affected by an assessment or assessments which are or may become payable in installments, then for purposes of this Agreement, all unpaid installments of any such assessment, including those which are to become due and payable and to be liens upon the Property shall be paid and discharged by Seller at Closing.
- 13.4 <u>Application of Prorations</u>. If such prorations result in a payment due Buyer, the cash payable at Closing shall be reduced by such sum. If such prorations result in a payment due Seller, the same shall be paid in immediately available funds at Closing.
- 13.5 <u>Schedule of Prorations</u>. The parties shall endeavor to jointly prepare a schedule of prorations for the Property no less than five (5) days prior to Closing.

- Readjustments. The parties shall correct any errors in prorations as soon after the Closing as amounts are finally determined. The provisions of this Section 13 shall survive the Closing
- BROKERS. Each party hereby represents and warrants to the other that it has not employed or retained any broker or finder in connection with the transactions contemplated by this Agreement, and that neither has had any dealings with any other person or party which may entitle that person or party to a fee or commission. Each party shall indemnify the other of and from any claims for commissions by any person or party claiming such commission by or through the indemnifying party.
- ESCROW AGENT. Escrow Agent shall not be required to determine questions of fact or law, and may act upon any instrument or other writing believed by it in good faith to be genuine and to be signed and presented by the proper person, and shall not be liable in connection with the performance of any duties imposed upon Escrow Agent by the provisions of this Agreement, except for Escrow Agent's own willful default or gross negligence. Escrow Agent shall have no duties or responsibilities except those set forth herein. Escrow Agent shall not be bound by any modification of this Agreement, unless the same is in writing and signed by Buyer and Seller, and, if Escrow Agent's duties hereunder are affected, unless Escrow Agent shall have given prior written consent thereto. In the event that Escrow Agent shall be uncertain as to Escrow Agent's duties or rights hereunder, or shall receive instructions from Buyer or Seller which, in Escrow Agent's opinion, are in conflict with any of the provisions hereof, Escrow Agent shall be entitled to decline to take any action.

16. GENERAL PROVISIONS.

Notices. All notices or other communications required or permitted to be given under the terms of this Agreement shall be in writing, and shall be deemed effective when (i) sent by nationally-recognized overnight courier, (ii) facsimile with original following by regular mail, or (iii) deposited in the United States mail and sent by certified mail, postage prepaid, addressed as follows:

> If to Seller, addressed to: 16.1.1 Earlington LLC c/o Unico Investment Group LLC 1215 Fourth Avenue, Suite 600 Seattle, Washington 98161 Attn: Quentin W. Kuhrau, Senior Vice President and a copy to: Helier Ehrman LLP 701 Fifth Avenue, Suite 6100 Seattle, Washington 98104

16.1.2 If to Buyer, addressed to:

> Attn: with a copy to: Attn:

John W. Hanley, Jr.

16.1.3 If to Escrow Agent, addressed to:

> Transnation Title Insurance Company 601 Union Street, Suite 1100 Seattle, Washington 98101 Attn.: Marty Strelecky

or to such-other address or addresses and to the attention of such other person or persons as any of the parties may notify the other in accordance with the provisions of this Agreement.

- Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.
- Entire Agreement. All Exhibits attached to this Agreement are incorporated herein and made a part hereof. This Agreement constitutes the entire agreement between the parties hereto and supersedes all prior negotiations, understandings and agreements of any nature whatsoever with respect to the subject matter hereof. This Agreement may not be modified or amended other than by

an agreement in writing. The captions included in this Agreement are for convenience only and in no way define, describe or limit the scope or intent of the terms of this Agreement.

- 16.4 <u>Governing Law</u>. This Agreement shall be construed and interpreted in accordance with the laws of the State of Washington.
- 16.5 <u>No Recording.</u> This Agreement shall not be recorded in the Clerk's Office or in any other office or place of public record.
- 16.6 <u>Execution in Counterparts</u>. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories.
- 16.7 <u>Further Instruments.</u> Seller will, whenever and as often as it shall be reasonably requested so to do by Buyer, and Buyer will, whenever and as often as it shall be reasonably requested so to do by Seller, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, any and all conveyances, assignments, correction instruments and all other instruments and documents as may be reasonably necessary in order to complete the transaction provided for in this Agreement and to carry out the intent and purposes of this Agreement. All such instruments and documents shall be satisfactory to the respective attorneys for Buyer and Seller. The provisions of this Article shall survive the Closing.
- 16.8 <u>Time</u>. Time is of the essence. In the event the last day permitted for the performance of any act required or permitted under this Agreement falls on a Saturday, Sunday, or legal holiday of the United States or the State of Washington, the time for such performance will be extended to the next succeeding business day. Time periods under this Agreement will exclude the first day and include the last day of such time period.
- 16.9 <u>Effective Date.</u> Whenever the term or phrase "Effective Date", "effective date hereof" or "date hereof" or other similar phrases describing the date this Agreement becomes binding on Seller and Buyer are used in this Agreement, such terms or phrases shall mean and refer to the date on which a counterpart or counterparts of this Agreement executed by Seller and Buyer are deposited with the Escrow Agent, as acknowledged by Escrow Agent by its signature hereto.
- 16.10 <u>Time for Acceptance</u>. Seller shall execute this Agreement and deliver an original signed copy hereof to the Escrow Agent and an originally signed copy hereof to the Buyer within ten (10) business days after receiving original signed copies from Buyer. Failure to accept in the manner and within the time specified shall constitute a default under this Agreement.
- RELEASE. Except for any claims respecting Landlord's Warranty pursuant to Section 2(C) of the Lease which shall survive the closing of this Agreement of Sale, Buyer, on behalf of itself and its successors and assigns, waives its right to recover from, and forever releases and discharges, Seller, Seller's affiliates, Seller's investment manager, the partners, trustees, shareholders, directors, officers, employees and agents of each of them, and their respective heirs, successors, personal representatives and assigns (collectively, the "Seller Related Parties"), from any and all demands, claims, legal or administrative proceedings, losses, liabilities, damages, penalties, fines, liens, judgments, costs or expenses whatsoever (including, without limitation, attorneys' fees and costs), whether direct or indirect, known or unknown, foreseen or unforeseen, which may arise on account of or in any way be connected with the physical condition of the Property or any law or regulation applicable thereto, except for demands, claims, legal or administrative proceedings, losses, liabilities, damages, penalties, fines, liens, judgments, costs or expenses whatsoever (including, without limitation, attorneys' fees and costs) pursuant to any Environmental Law that arises from the activities of Seller or Seller's agents, employees or contractors; provided that the mere discovery of a pre-existing condition of the Property shall not serve to limit the release contained herein. As used in this Agreement, "Environmental Law" means all federal. state and local environmental laws, rules, regulations, ordinances, judicial or administrative decrees, orders, decisions, authorizations or permits including, but not limited to, the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et. seq., the Clean Air Act, 42 U.S.C. § 7401, et seq., the Federal Water Pollution Control Act, 33 U.S.C. § 1251, et seq., the Emergency Planning and Community Right to Know Act, 42 U.S.C. § 1101, et seq., the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601, et seq., the Oil Pollution Control Act, 33 U.S.C. § 2701, et seq., and Washington or any other comparable local, state, or federal statute or ordinance pertaining to the environment or natural resources and all regulations pertaining thereto.
- 18. TAX DEFERRED EXCHANGE. Seller (an "Exchange Party") may elect to have the sale of the Property under this Agreement effected in whole or in part as a tax-deferred, like-kind exchange qualifying under Section 1031 of the Internal Revenue Code pursuant to the provisions of this Section. In the event that Exchange Party elects to have the sale of the Property effected in whole or in part as a like-kind exchange, Buyer agrees to cooperate with the Exchange Party in effecting such like-kind exchange by consenting to the Exchange Party's assignment of its rights under this Agreement to a "qualified intermediary" (as defined in the Treasury Regulations under Section 1031 of the Code) designated by the Exchange Party (the "Intermediary"), pursuant to an agreement between the Intermediary and the Exchange Party (the "Exchange Agreement"). The Exchange Party shall be responsible for paying all

costs incurred by the Intermediary and all other costs incurred in connection with effectuating such likekind exchange. In the event an Exchange Agreement with an Exchange Party is executed, the Exchange Party shall notify Buyer prior to the Closing Date, and Buyer shall reasonably cooperate, without cost to Buyer, with the Exchange Party and the Intermediary to effectuate the like-kind exchange. In the event of such an assignment by Exchange Party to an Intermediary, any proceeds due to Exchange Party shall be paid to the Intermediary, to be held in escrow and applied in accordance with the terms of the Exchange Agreement. Notwithstanding any provision to the contrary contained in this Section, no provision of this Agreement shall be modified, amended, or waived following an assignment by Exchange Party of its rights and obligations hereunder to the Intermediary, nor shall the election to proceed under a like-kind exchange impose any additional restrictions or obligations on Buyer, except for its agreement to consent to such assignment by the Exchange Party.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed the day and year first above written.

•	BUYER:
•	KING COUNTY, a political subdivision of the State of
	Washington
	Ву:
•	Name:
•	Title:
	SELLER:
	EARLINGTON LLC, a Delaware limited liability company
	By:
	Name:
	Title:
Agreed to by Escrow Agent with regard Section 15 and elsewhere in this Agre receipt of this Agreement on	d to the obligations, terms, covenants and conditions contained in ement relating to Escrow Agent. The undersigned acknowledges
	TRANSNATION TITLE INSURANCE COMPANY
	Ву:
	Name:
·	Title:
•	

Exhibits to Agreement of Sale

Α	-	Legal Description
В	-	Service Contracts
С	-	Condemnation
n	_	Litigation

D E F

Litigation Leases Office Building Lease dated __

EXHIBIT A Legal Description

EXHIBIT B

Service Contracts *

* - Contracts marked with an asterisk (*) are not terminable upon no more than thirty (30) days' notice without penalty or cancellation fee.

EXHIBIT C

Condemnation

As shown on Exhibit G of the Lease and including The Right of Way Purchase, the Permanent Easement, the Temporary Construction Easement and the Puget Sound Energy Easement necessary for the expansion of Interstate 405 as previously described to Buyer.

EXHIBIT D

Litigation

EXHIBIT E

Leases

EXHIBIT F

Tenant Estoppel

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			_ [Buyer's	name	and	address	to	be	inserted]
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6. The landlord under the Lease is not in default under any of the requirements, provisions, terms, conditions or covenants of the Lease to be performed or complied with by the landlord under the Lease, and no event has occurred or situation exists which would, with the passage of time and/or the giving of notice, constitute a default or an event of default by the landlord under the Lease.								he landlord age of time	
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			Rider R2 - 2						

EXHIBIT G

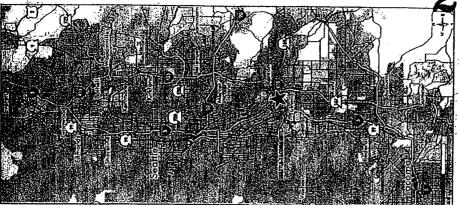
Diligence Materials

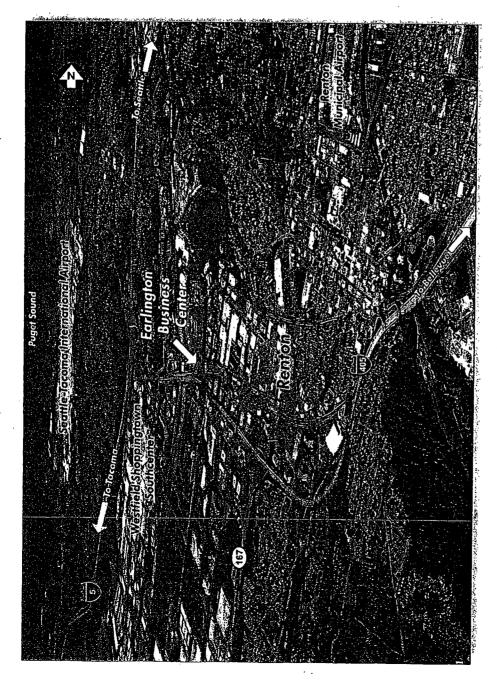
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Attachment B 007-134

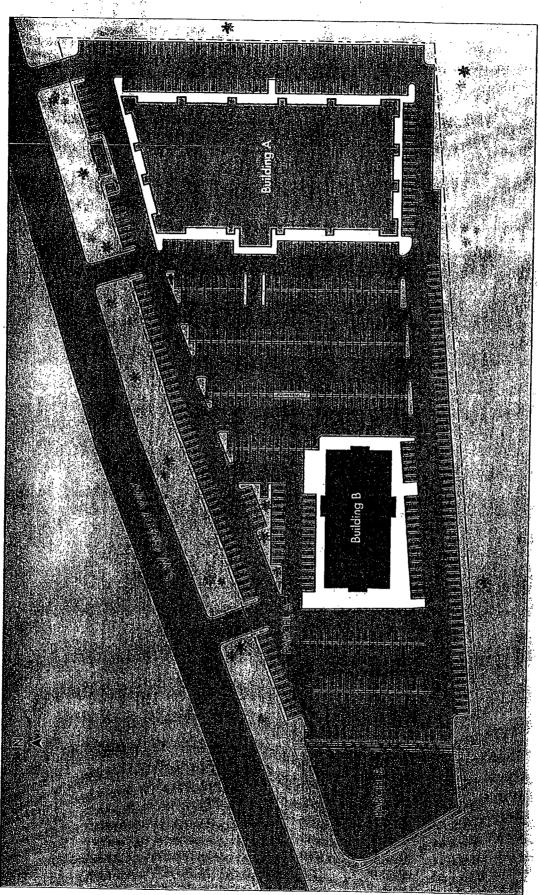
PROPERTY LOCATION . PAGE 7





EARLINGTON BUSINESS CENTER AERIAL

EARLINGTON BUSINESS CENTER



EARLINGTON BUSINESS CENTER SITE PLAN

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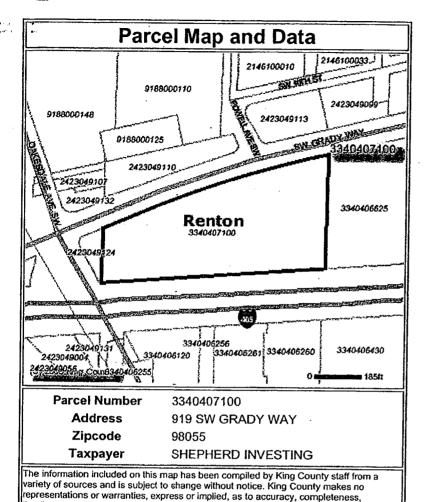
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Comments

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