

ATTACHMENT A:

LEASE AGREEMENT

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THIS LEASE AGREEMENT is made this ___ day of _____, _____, between Prologis-Exchange 3301 South Norfolk LLC, a Delaware limited liability company ("Landlord"), and the Tenant named below.

Tenant: King County, a political subdivision of the State of Washington

Tenant's Representative, Tom Paine

Address, and Telephone: King County
Metro Transit Division
201 South Jackson Street
Seattle WA 98104-3856

Premises: The Exterior Improvements and the Office Improvements (as defined in Addendum 2), as shown on Exhibit A.

Project: The office area and adjoining paved parking area known as Seattle 14

Building: Approximately 12,000 SF of office trailer space, in the approximate location shown on Exhibit A (to be constructed or installed per Addendum 2).

Tenant's Proportionate Share of Project: 100% (373,744 SF/373,744 SF) land

Tenant's Proportionate Share of Building: 100% (12,000 SF/12,000 SF)

Lease Term: 144 full calendar months, beginning on the Commencement Date and ending on the last day of the 144th full month following the Commencement Date ("Lease Term" or "Initial Lease Term"), subject to extension pursuant to Addendum 4.

Commencement Date: August 1, 2020

Initial Monthly Base Rent: See Addendum 1

Initial Estimated Monthly Operating Expense Payments: (estimated amounts to be provided by Landlord promptly after they are determined in good faith and in Landlord's reasonable discretion; such amounts will be estimates only and subject to adjustment to	1. Taxes:	<u>\$TBD</u>
	2. Insurance:	<u>\$TBD</u>
	3. Management Fee:	<u>\$TBD</u>
	4. Total:	<u>\$TBD</u>

actual costs and expenses according to the provisions of this Lease)

Initial Monthly Base Rent and Estimated Operating Expense Payments:

\$TBD

Security Deposit:

None.

Broker:

Tenant represents that it has had no dealings with any real estate broker, agent or finder in connection with the Premises, who is or might be entitled to a real estate brokerage commission or fee of any kind in connection with this lease.

Addenda:

1. Base Rent Adjustments 2. Initial Improvements 3. Permitted Hazardous Materials 4. Renewal Options (Fair Market Value)

Exhibits:

A. Site Plan B. Project Rules and Regulations C. Commencement Date Certificate D. Legal Description of Project E. Purchase Option Rider F. Intentionally Omitted G. Form of Memorandum of Lease H. Form of Termination of Memorandum of Lease I. Move Out Conditions

1. **Granting Clause.** In consideration of the obligation of Tenant to pay rent as herein provided and in consideration of the other terms, covenants, and conditions hereof, Landlord leases to Tenant, and Tenant takes from Landlord, the Premises, to have and to hold for the Lease Term, subject to the terms, covenants and conditions of this Lease.

2. **Acceptance of Premises.**

2.1 This Lease is contingent upon Landlord's development of the Premises for the use contemplated by Tenant in Paragraph 3, below, in compliance with applicable laws and regulations in effect at the beginning of the Lease Term.

2.2 If a jurisdiction with land use authority conclusively determines that a bus training facility is not a permitted use for the Premises, this Lease may be terminated via written notice given by either party prior to the Commencement Date.

2.3 Subject to Paragraph 2.1, above, and provided that a bus training facility is a permitted use of the Premises as of the Commencement Date, Tenant shall accept the Premises in its condition as of the Commencement Date, subject to all applicable laws, ordinances, regulations, covenants and restrictions. Tenant shall have access to the Premises two weeks prior to the Commencement Date for the purpose of installing furniture, trade fixtures and equipment and the installation of telecommunications cable ("Tenant's Beneficial Occupancy"); during such Tenant's Beneficial Occupancy period prior to the Commencement Date, Tenant shall be bound by its obligations under the Lease, including with respect to any insurance required by this Lease. Landlord has made no representation or warranty as to the suitability of the Premises for the conduct of Tenant's business, and Tenant waives any implied warranty that the Premises are suitable for Tenant's intended purposes. In no event shall Landlord have any obligation for any defects in the Premises or any limitation on its use. The taking of possession of the Premises shall be conclusive evidence that Tenant accepts the Premises and that the Premises were in acceptable condition at the time possession was taken except for items that are Landlord's responsibility under Paragraph 10 (for example, and not in limitation, structural items thereunder) and any punchlist items agreed to in writing by Landlord and Tenant.

2.4 No later than 10 days after written demand is made therefor by Landlord of Tenant, Tenant shall execute and deliver to Landlord a Commencement Date Certificate in the form of Exhibit C attached to and hereby made a part of this Lease. Notwithstanding the foregoing, Tenant shall not be required to return the Premises at the expiration or sooner termination of the Lease in a condition that is better than the condition in which it was received, which shall be further detailed in the Property Condition Report to be obtained at Landlord's cost and expense and provided to Tenant within 45 days prior to the Commencement Date ("Property Condition Report"). Any risk of any defect or deficiency in the Premises, or any portion thereof, of any nature, whether patent or latent, as between Landlord and Tenant, is to be borne by Tenant, except as expressly set forth in Paragraph 10 as Landlord's responsibility to repair, maintain or replace.

3. **Use.** The Premises shall be used only for the purpose of bus training facility and office use and for such other lawful purposes as may be incidental thereto. Tenant shall not conduct or give notice of any auction, liquidation, or going out of business sale on the Premises. Tenant will use the Premises in a careful, safe and proper manner and will not commit waste, overload the floor or structure of the Premises or subject the Premises to use that would damage the Premises. Tenant shall not permit any objectionable or unpleasant odors, smoke, dust, gas, noise, or vibrations to emanate from the Premises, beyond what is ordinary during the operation of Tenant's buses, or take any other action that would constitute a nuisance or would disturb, unreasonably interfere with, or endanger Landlord or any tenants of the Project. Outside storage, including without limitation, storage of trucks and other vehicles, is permitted, subject to the other terms of this Lease, provided there is no interference with the access of other tenants to the Project parking lots and truck courts. Tenant, at its sole expense, shall use and occupy the Premises in compliance with all laws, including, without limitation, if required by its use, the Americans With Disabilities Act, orders, judgments, ordinances, regulations, codes, directives, permits, licenses, covenants and restrictions now or hereafter applicable to the Premises (collectively, "Legal Requirements"). The Premises shall not be used as a place of public accommodation under the Americans With Disabilities Act or progeny state statutes or local ordinances or any regulations promulgated thereunder, all as may be amended from time to time. Tenant shall, at its expense, make any alterations or modifications, within or without the Premises, that are required by a governmental agency with authority to enforce the Legal Requirements related to Tenant's use or occupation of the Premises. Tenant will not use or permit the Premises to be used for any purpose or in any manner that would void Tenant's or Landlord's insurance, increase the insurance risk, or cause the disallowance of any sprinkler credits. If any increase in the cost of any insurance on the Premises or the Project is caused by Tenant's specific use or occupation of the Premises, or because Tenant vacates the Premises, then Tenant shall pay the amount of such increase to Landlord. Any occupation of the Premises by Tenant prior to the Commencement Date shall be subject to all obligations of Tenant under this Lease.

4. **Base Rent.** Tenant shall pay Base Rent in the amount set forth on Page 1 of this Lease. The first month's Base Rent, and the first monthly installment of estimated Operating Expenses (as hereafter defined) shall be due and payable on the date hereof, and Tenant promises to pay to Landlord in advance, without demand, deduction or set-off, monthly installments of Base Rent on or before the first day of each calendar month succeeding the Commencement Date. Payments of Base Rent for any fractional calendar month shall be prorated. All payments required to be made by Tenant to Landlord hereunder (or to such other party as Landlord may from time to time specify in writing) shall be made by Electronic Fund Transfer ("EFT") of immediately available federal funds before 11:00 a.m., Eastern Time at such place, within the continental United States, as Landlord may from time to time designate to Tenant in writing. The obligation of Tenant to pay Base Rent and other sums to Landlord and the obligations of Landlord under this Lease are independent obligations. Tenant shall have no right at any time to abate, reduce, or set-off any rent due hereunder except as may be expressly provided in this Lease. If Tenant is delinquent in any monthly installment of Base Rent or of estimated Operating Expenses for more than 5 business days, Tenant shall pay to Landlord on demand a late charge equal to 8 percent of such delinquent sum. The provision for such late charge shall be in addition to all of Landlord's other rights and remedies hereunder or at law and shall not be construed as a penalty.

5. **Security Deposit.** Intentionally deleted.

6. **Operating Expense Payments.**

6.1 During each month of the Lease Term, on the same date that Base Rent is due, Tenant shall pay Landlord an amount equal to 1/12 of the annual cost, as estimated by Landlord at least thirty (30) days before the

Commencement Date or the first day of each subsequent year, as applicable, of Tenant's Proportionate Share (hereinafter defined) of Operating Expenses for the Project. The monthly charge for estimated Operating Costs shall be prorated for any partial month by dividing the Operating Cost charge by three hundred sixty-five (365) and multiplying the result by the number of days in the partial month for which Operating Costs are owed. The term "Operating Expenses" means all costs and expenses incurred by Landlord with respect to the ownership, maintenance, and operation of the Project with respect to Taxes (hereinafter defined), insurance, a management fee not to exceed three percent (3%) of gross revenue derived from this Lease, and any costs or expenses necessitated due to the misuse of, or damage caused by, Tenant, its employees, contractors, agents, subtenants, or invitees. Operating Expenses do not include costs, expenses, depreciation or amortization for capital repairs and capital replacements required to be made by Landlord under Paragraph 10 of this Lease, debt service under mortgages or ground rent under ground leases, costs of restoration to the extent of net insurance proceeds received by Landlord with respect thereto, marketing costs, costs arising from the negligence or fault of Landlord, its employees or agents, the costs of renovating space for tenants, and other expenses which, in accordance with generally accepted accounting principles, consistently applied, would not normally be treated as Operating Expenses by comparable landlords of comparable buildings. Landlord shall at all times use commercially reasonable efforts to operate the Project in an economically reasonable manner. Landlord agrees that, except with respect to the management fee expressly set forth above, (i) Landlord will not collect or be entitled to collect Operating Expenses from all of its tenants in an amount which is in excess of one hundred percent (100%) of the Operating Expenses actually paid by Landlord, or for which Landlord is liable to pay, in connection with the operation of the Building, and (ii) Landlord shall make no profit from Landlord's collection of Operating Costs.

6.2 For purposes of calculating Tenant's Proportionate Share of Operating Expenses, a year shall mean a calendar year except the first year, which shall begin on the Commencement Date, and the last year, which shall end on the expiration of this Lease. With respect to Operating Expenses which Landlord allocates to the entire Project, Tenant's "Proportionate Share" shall be the percentage set forth on the first page of this Lease as Tenant's Proportionate Share of the Project as reasonably adjusted by Landlord in the future for changes in the physical size of the Premises or the Project; and, with respect to Operating Expenses which Landlord allocates only to the Building, Tenant's "Proportionate Share" shall be the percentage set forth on the first page of this Lease as Tenant's Proportionate Share of the Building as reasonably adjusted by Landlord in the future for changes in the physical size of the Premises or the Building. Landlord may equitably increase Tenant's Proportionate Share for any item of expense or cost reimbursable by Tenant that relates to a repair, replacement, or service that benefits only the Premises or only a portion of the Project or Building that includes the Premises or that varies with occupancy or use. The estimated Operating Expenses for the Premises set forth on the first page of this Lease are only estimates, and Landlord makes no guaranty or warranty that such estimates will be accurate.

6.3 Audit Rights.

A. No later than 90 days following the first day of each calendar year during the Lease Term, Landlord shall deliver to Tenant an Operating Expense Reconciliation Invoice ("Invoice") and an Operating Expense Summary Report listing the Operating Expenses for the prior year of the Lease Term ("Report"). Provided (i) no Event of Default exists under this Lease, (ii) no payments of Base Rent, Operating Expenses, or other amounts due under the Lease are outstanding, and (iii) Tenant has a reasonable belief that the Invoice and Report contain an error to the detriment of Tenant, Tenant, at its sole cost and expense, shall have the right to examine property invoices evidencing such costs and expenses as provided in the Invoice and Report which Tenant believes to be in error as more specifically provided herein. Such review of Landlord's property invoices may occur not more than once per year at Landlord's local market office during reasonable business hours. Landlord agrees to make the property invoices pertaining to those items which Tenant reasonably believes to be in error, a copier and conference room available to Tenant for a period not to exceed one week to examine such property invoices. In the event Tenant desires to exercise the foregoing right, Tenant shall deliver written notice of Tenant's intent to review the property invoices, and shall identify the item(s) contained in the Invoice and Report which Tenant believes to be in error, no later than thirty (30) days following Tenant's receipt of the Invoice and Report. Time is of the essence with regards to the delivery of such notice. Upon Landlord's receipt of Tenant's notice, Landlord and Tenant shall work in good faith to schedule a time and date for such property invoice examination which shall be acceptable to both parties.

B. In the event that Tenant accurately determines that the Invoice and Report contain an error to the detriment of Tenant, Landlord shall immediately provide a revised Invoice and Report to Tenant. If Tenant has already paid the Invoice, Landlord will provide a credit against Tenant's obligations to pay Base Rent the amount overpaid by Tenant.

C. Prior to Tenant's inspection of Landlord's property invoices, Landlord shall mark as confidential information all material that it considers proprietary or confidential. All of Landlord's material so marked shall be deemed to be Landlord's confidential information ("Confidential Information") unless and until Landlord specifically authorizes Tenant in writing to treat the information as public. Landlord acknowledges that Tenant is a political subdivision of the State of Washington subject to the Washington State Public Records Act, RCW chapter 42.56. If Tenant receives any public records request, subpoena, or court order requiring disclosure of Confidential Information, or otherwise believes in good faith that a disclosure of Confidential Information is required by law, King County shall promptly notify Landlord. King County will not release marked Confidential Information for a period of ten (10) days to give Landlord an opportunity to obtain a court order prohibiting the release of the Confidential Information in response to the public disclosure request or other required disclosure. Landlord acknowledges that King County cannot insure that Confidential Information will not be released or subject to release pursuant to a public disclosure request, and shall hold harmless Tenant from any causes of action, claims, injuries, damages, costs, or expenses that may arise out of or relate to the release, use, or distribution of Landlord's proprietary or confidential material that Landlord fails to mark as Confidential Information.

D. Notwithstanding anything contained herein to the contrary, in no event shall Tenant retain any person paid on a contingency fee basis to act on behalf of Tenant with regards to the forgoing rights to review the property invoices and Landlord shall have no obligation to allow any such representative paid on a contingency fee basis access to Landlord's records. Notwithstanding anything contained in this Lease to the contrary, Tenant agrees that Tenant's sole remedy pertaining to an error in the Invoice or Report shall be for the recovery from Landlord an amount equal to the amount overpaid by Tenant, and Tenant waives any right to terminate this Lease as a result of any such error in the Invoice or Report which Tenant may have under law or equity.

E. If Tenant's total payments of Operating Expenses for any year are less than Tenant's Proportionate Share of actual Operating Expenses for such year, then Tenant shall pay the difference to Landlord within 30 days after demand, and if more, then Landlord shall retain such excess and credit it against Tenant's next payments except that during the last calendar year of the Lease Term or any extension terms thereof, Landlord shall refund any such excess within 60 days following the termination of the Lease Term or any extension terms thereof, provided that Tenant is not in default of its obligations under this Lease.

7. Utilities.

7.1. Tenant shall be separately metered for all utilities, including, but not limited to, water, gas, electricity, heat, light, power, telephone, sewer, sprinkler services, refuse and trash collection, and other utilities and services used on the Premises. Tenant shall pay for the cost of all such utilities so separately metered, as well as all maintenance charges, storm sewer charges or other similar charges for utilities imposed by any governmental entity or utility provider, and any taxes, penalties, surcharges or the like pertaining to Tenant's use of the Premises. Except as set forth below, no interruption or failure of utilities shall result in the termination of this Lease or the abatement of rent. 7.2. Notwithstanding anything contained herein to the contrary, in the event that such interruption or cessation of utilities results from Landlord's negligent or willful act or omission, and continues beyond five (5) consecutive business days from the date of such interruption or cessation, then, provided Tenant has delivered Landlord with prompt notice of such interruption, the rent under this Lease will abate, commencing on the sixth (6th) consecutive business day the Premises remain untenable, and continuing until the date on which the utilities are restored and the Premises are again tenantable. No abatement of rentals as hereinabove described will apply in the event such interruption of utilities is the result of Tenant's alterations to the Premises, or any negligent act or omission of Tenant, its agents, employees or contractors, or any cause other than the negligent or willful act or omission of Landlord or its employees, agents or contractors.

8. **Taxes.** Landlord shall pay all taxes, assessments and governmental charges (collectively referred to as "Taxes") that accrue against the Project during the Lease Term, which shall be included as part of the Operating

Expenses charged to Tenant. Landlord may contest by appropriate legal proceedings the amount, validity, or application of any Taxes or liens thereof. All capital levies or other taxes assessed or imposed on Landlord upon the rents payable to Landlord under this Lease and any franchise tax, any excise, use, margin, transaction, sales or privilege tax, assessment, levy or charge measured by or based, in whole or in part, upon such rents from the Premises and/or the Project or any portion thereof shall be paid by Tenant to Landlord monthly in estimated installments or upon demand, at the option of Landlord, as additional rent; provided, however, in no event shall Tenant be liable for any net income taxes imposed on Landlord unless such net income taxes are in substitution for any Taxes payable hereunder. If any such tax or excise is levied or assessed directly against Tenant or results from any Tenant-Made Alterations (defined below), then Tenant shall be responsible for and shall pay the same at such times and in such manner as the taxing authority shall require. Tenant shall be liable for all taxes levied or assessed against any personal property or fixtures placed in the Premises, whether levied or assessed against Landlord or Tenant.

9. Insurance.

9.1 Landlord shall maintain all risk or special form property insurance covering the full replacement cost of the Building and commercial general liability insurance on the Project in forms and amounts customary for properties substantially similar to the Project, subject to customary deductibles. Landlord may, but is not obligated to, maintain such other insurance and additional coverages as it may deem necessary, including but not limited to, rent loss insurance. All such insurance shall be included as part of the Operating Expenses charged to Tenant. The Project or Building may be included in a blanket policy (in which case the cost of such insurance allocable to the Project or Building will be determined by Landlord based upon the total insurance cost calculations). Tenant shall also reimburse Landlord for any increased premiums or additional insurance required or which Landlord reasonably deems necessary as a result of Tenant's use of the Premises. To Landlord's actual knowledge as of the Effective Date of this Lease, Tenant's use of the Premises for a bus training facility and office use is not expected to increase Landlord's premiums or require additional insurance.

9.2 For so long as the originally named lessee is the Tenant under this Lease, Landlord acknowledges that Tenant, a Home Rule Charter County Government under the Constitution of the State of Washington, maintains a fully funded self-insurance program for the protection and handling of the Tenant's liabilities, including injuries to persons and damage to property. Tenant shall, at its own expense, maintain, through its self-funded program, coverage sufficient for all of its liability exposures for this Lease. Tenant shall provide Landlord with at least thirty (30) days prior written notice of any material change in Tenant's self-funded program and shall provide Landlord with a certificate of self-insurance as proof of coverage. Landlord further acknowledges that Tenant does not maintain a Commercial General Liability Insurance policy and is a self-insured government entity; therefore, Tenant does not have the ability to add Landlord as an additional insured to such policy. Should Tenant cease self-insuring its liability exposure and purchase a Commercial General Liability Insurance Policy, Tenant shall add Landlord as an additional insured to such policy. Tenant shall at all times maintain its self-funded program in substantially the same form as it exists as of the date of execution of this Lease, or a Commercial General Liability Insurance Policy, each in an amount sufficient to cover its liability exposure under this Lease.

9.3 Any all-risk or special form property insurance obtained by Landlord or Tenant shall include a waiver of subrogation by the insurers and all rights based upon an assignment from its insured, against Landlord or Tenant, their officers, officials, directors, employees, managers, agents, invitees and contractors, in connection with any loss or damage thereby insured against. Neither party nor its officers, officials, directors, employees, managers, agents, invitees or contractors shall be liable to the other for loss or damage caused by any risk coverable by all risk or special form property insurance, and each party waives any claims against the other party, and its officers, directors, employees, managers, agents, invitees and contractors for such loss or damage. The failure of a party to insure its property shall not void this waiver. Tenant and its officers, officials, agents, employees and contractors shall not be liable for, and Landlord hereby waives all claims against such parties for losses resulting from an interruption of Landlord's business, or any person claiming through Landlord, resulting from any accident or occurrence in or upon the Premises or the Project from any cause whatsoever, including without limitation, damage caused in whole or in part, directly or indirectly, by the negligence of Tenant or its officers, officials, agents, employees or contractors. Landlord and its officers, agents, employees and contractors shall not be liable for, and Tenant hereby waives all claims against such parties for losses resulting from an interruption of Tenant's business, or any person claiming through Tenant, resulting from any accident or occurrence in or upon the Premises or the Project from any cause

whatsoever, including without limitation, damage caused in whole or in part, directly or indirectly, by the negligence of Landlord or its agents, employees or contractors.

10. Landlord's Repairs. Intentionally Deleted.

11. Tenant's Maintenance and Repairs.

11.1. Tenant, at Tenant's expense, shall maintain and repair in a condition no less than that as indicated on the Property Condition Report, the parking areas and other common areas of the Building, including, but not limited to driveways, alleys, landscape and grounds surrounding the Premises. Subject to Paragraphs 9 and 15, Tenant, at its expense, shall repair, replace and maintain in no less condition than that as indicated on the Property Condition Report (but at all times in compliance with Legal Requirements) all portions of the Building and Premises and all areas, improvements and systems exclusively serving the Premises including, without limitation, dock and loading areas, truck doors, plumbing, water and sewer lines up to points of common connection, fire sprinklers and fire protection systems, entries, doors, ceilings, windows, interior walls, and the interior side of demising walls, and heating, ventilation and air conditioning systems. Heating, ventilation and air conditioning systems and other mechanical and building systems exclusively serving the Premises shall be maintained at Tenant's expense. If Tenant fails to perform any repair or replacement for which it is responsible (without the same being an Event of Default until after applicable notice and cure periods), Landlord may perform such work and be reimbursed by Tenant within 10 days after demand therefor. Subject to Paragraphs 9 and 15, Tenant shall repair any damage to any part of the Building or Project or Premises caused by Tenant, its agents, or contractors. If Tenant fails to perform such repair work after thirty (30) days' notice from Landlord (except in the event of an emergency, in which case no notice shall be required), Landlord may perform the work and be reimbursed by Tenant within ten (10) days after demand therefor. Except as expressly set forth in Paragraph 10 as a Landlord obligation, Landlord shall have no obligation to repair, modify, alter, add to, maintain, or replace the Premises or any portion thereof, as may be needed by Tenant in connection with Tenant's business whether structural or nonstructural, foreseen or unforeseen, all of which are intended to be the obligations of Tenant under this Agreement. Tenant waives to the extent permitted by applicable law the benefit of any law now or hereafter in effect that would otherwise afford Tenant the right to make repairs or replacements at Landlord's expense or to terminate this Lease on account of the failure of Landlord to make a repair or replacement.

11.2 Landlord may, but shall not be obligated to, after 15 days' prior written notice to Tenant (except in the case of an emergency, when no notice shall be required), enter the Premises and perform any obligation of Tenant under this Paragraph 11 that Tenant has failed to perform which constitutes a violation of Legal Requirements or, in Landlord's reasonable determination, creates a condition that is hazardous or unsafe for persons or property. The cost of Landlord's performance together with interest as provided in this Lease, shall be due and payable as additional rental on the next following due date for Base Rent.

12. Tenant-Made Alterations and Trade Fixtures.

12.1 Tenant, at its own cost and expense and without Landlord's prior approval, may erect such shelves, racking, bins, machinery and trade fixtures (collectively "Trade Fixtures") in the ordinary course of its business provided that such items do not alter the basic character of the Premises, do not overload or damage the Premises, and may be removed without injury to the Premises, and the construction, erection, and installation thereof complies with all Legal Requirements and with Landlord's requirements set forth above. Tenant shall remove its Trade Fixtures and shall repair any damage caused by such removal upon surrender of the Premises.

12.2 Any alterations, additions, or improvements made by or on behalf of Tenant to the Premises ("Tenant-Made Alterations") shall comply with insurance requirements and with Legal Requirements. Tenant shall construct at its expense any alteration or modification required by Legal Requirements as a result of any Tenant-Made Alterations.

12.3 Tenant-Made Alterations shall only require Landlord's consent if, and only if, they impact the structure of the Building, are exterior, impact any utilities or mechanical systems or other elements that are the responsibility of Landlord under Paragraph 10 or cost in excess of \$25,000.00. All Tenant-Made Alterations shall be constructed in a good and workmanlike manner by contractors reasonably acceptable to Landlord and only good

grades of materials shall be used. All plans and specifications for any Tenant-Made Alterations requiring Landlord consent shall be submitted to Landlord for its approval. Landlord may monitor construction of the Tenant-Made Alterations. Tenant shall reimburse Landlord for its costs in reviewing plans and specifications and in monitoring construction. Landlord's right to review plans and specifications and to monitor construction shall be solely for its own benefit, and Landlord shall have no duty to see that such plans and specifications or construction comply with applicable laws, codes, rules and regulations. Tenant shall provide Landlord with the identities and mailing addresses of all third parties (i.e., all persons or entities other than King County personnel) performing work or supplying materials, prior to beginning such construction, and Landlord may post on and about the Premises notices of non-responsibility pursuant to applicable law. Tenant shall make arrangements satisfactory to Landlord to assure payment for the completion of all work free and clear of liens and shall, upon written request by Landlord, provide certificates of insurance for worker's compensation and other coverage in amounts and from a commercially reasonable insurance company protecting Landlord against liability for personal injury or property damage during construction. Upon surrender of the Premises, all Tenant-Made Alterations and any leasehold improvements constructed by Landlord or Tenant shall remain on the Premises as Landlord's property, except to the extent Landlord requires removal at Tenant's expense of any such items or Landlord and Tenant have otherwise agreed in writing in connection with Landlord's consent to any Tenant-Made Alterations. Tenant shall repair any damage caused by the removal of such Tenant-Made Alterations upon surrender of the Premises.

13. **Signs.** In partial consideration of Tenant's execution of this Lease, Landlord covenants that it shall not place or install any ownership logo or signage, any corporate logo or signage, or any other identifier of Landlord's ownership or corporate affiliation on any part of the exterior of the Building or the Premises or the Project during the Term of this Lease. In partial consideration of Landlord's execution of this Lease, Tenant agrees that it shall not place or install any logo or signage or other identifier of Tenant's or of Tenant's leasehold on any part of the exterior of the Building or the Premises or the Project during the Term of this Lease unless approved by Landlord. Provided, that nothing in this Paragraph 13 shall prevent Tenant from parking marked vehicles on the Premises as otherwise permitted under this Lease. In addition to the foregoing covenant, Tenant shall not make any changes to the exterior of the Premises, install any exterior lights, decorations, balloons, flags, pennants, banners, or painting, or erect or install any signs, windows or door lettering, placards, decorations, or advertising media of any type which can be viewed from the exterior of the Premises, without Landlord's prior written consent, which consent shall not be unreasonably withheld. Upon surrender or vacation of the Premises, Tenant shall have removed all signs and repair, paint, and/or replace the building fascia surface to which its signs are attached. Tenant shall obtain all applicable governmental permits and approvals for sign and exterior treatments. All signs, decorations, advertising media, blinds, draperies and other window treatment or bars or other security installations visible from outside the Premises shall be subject to Landlord's approval and conform in all respects to Landlord's requirements.

14. **Parking.** Tenant shall be entitled to the exclusive right to park on the Premises shown on the Site Plan attached Exhibit A. Landlord shall not be responsible for enforcing Tenant's parking rights against any third parties. At Tenant's sole cost and sole risk, Tenant may tow improperly parked vehicles per RCW ch. 46.55.

15. **Restoration.**

15.1 If at any time during the Lease Term more than 25% of the square footage of the Premises are damaged by a fire or other casualty, Landlord shall notify Tenant within 60 days after such damage as to the amount of time Landlord reasonably estimates it will take to restore the Premises. If the restoration time is estimated to exceed 6 months, either Landlord or Tenant may elect to terminate this Lease upon notice to the other party given no later than 30 days after Landlord's notice. If neither party elects to terminate this Lease or if Landlord estimates that restoration will take 6 months or less, then, subject to receipt of sufficient insurance proceeds, Landlord shall promptly restore the Premises excluding the improvements installed by Tenant or by Landlord and paid by Tenant, subject to delays arising from the collection of insurance proceeds or from Force Majeure events. If at any time during the Lease Term less than 25% of the Premises are damaged by fire or other casualty then Tenant at Tenant's expense shall promptly perform, subject to delays arising from the collection of insurance proceeds, or from Force Majeure events (as defined in Paragraph 33), all repairs or restoration not required to be done by Landlord and shall promptly re-enter the Premises and commence doing business in accordance with this Lease. Notwithstanding the foregoing, either party may terminate this Lease if the Premises are damaged during the last year of the Lease Term and Landlord reasonably estimates that it will take more than one month to repair such damage. Base Rent and Operating Expenses

shall be abated for the period of repair and restoration commencing on the date of such casualty event in the proportion which the area of the Premises, if any, which is not usable by Tenant bears to the total area of the Premises. Such abatement shall be the sole remedy of Tenant, and except as provided herein, Tenant waives any right to terminate the Lease by reason of damage or casualty loss.

15.2 Notwithstanding the terms and conditions of this Paragraph 15, if the Premises are not restored by Landlord on, or prior to, the date which is the later of 6 months of the date of the casualty event (subject to Force Majeure and Tenant-caused delays) or the date Landlord estimated completion of the restoration as described above (subject to Force Majeure and Tenant-caused delays), Tenant may terminate the Lease upon thirty (30) days written notice to Landlord; provided, however, if Landlord completes the restoration in said thirty (30) day notice period, Tenant's notice of termination shall be null and void and this Lease shall continue in full force and effect.

16. **Condemnation.** If any part of the Premises or the Project should be taken for any public or quasi-public use under governmental law, ordinance, or regulation, or by right of eminent domain, or by private purchase in lieu thereof (a "Taking" or "Taken"), and the Taking would materially interfere with or impair Landlord's ownership or operation of the Project, then upon written notice by Landlord this Lease shall terminate and Base Rent shall be apportioned as of said date. If part of the Premises shall be Taken, and this Lease is not terminated as provided above, the Base Rent payable hereunder during the unexpired Lease Term shall be reduced to such extent as may be fair and reasonable under the circumstances as mutually agreed by the parties. In the event of any such Taking, Landlord shall be entitled to receive the entire price or award from any such Taking without any payment to Tenant, and Tenant hereby assigns to Landlord Tenant's interest, if any, in such award. Tenant shall have the right, to the extent that same shall not diminish Landlord's award, to make a separate claim against the condemning authority (but not Landlord) for such compensation as may be separately awarded or recoverable by Tenant for moving expenses and damage to Tenant's Trade Fixtures, if a separate award for such items is made to Tenant.

17. **Assignment and Subletting.**

17.1. Without Landlord's prior written consent, which consent may not be unreasonably withheld so long as the intensity of any new use remains substantially the same as the permitted use described in Paragraph 3 of this Lease, Tenant shall not assign this Lease or sublease the Premises or any part thereof or mortgage, pledge, or hypothecate its leasehold interest or grant any concession or license within the Premises and any attempt to do any of the foregoing shall be void and of no effect. This Lease shall be binding upon Tenant and its successors and permitted assigns. Upon Landlord's receipt of Tenant's written notice of a desire to assign or sublet the Premises, or any part thereof, Landlord may, by giving written notice to Tenant within 30 days after receipt of Tenant's notice, terminate this Lease with respect to the space described in Tenant's notice, as of the date specified in Tenant's notice for the commencement of the proposed assignment or sublease. Tenant may withdraw its notice to sublease or assign by notifying Landlord within 10 days after Landlord has given Tenant notice of such termination, in which case the Lease shall not terminate but shall continue.

17.2. Notwithstanding any assignment or subletting, Tenant shall at all times remain fully responsible and liable for the payment of the rent and for compliance with all of Tenant's other obligations under this Lease (regardless of whether Landlord's approval has been obtained for any such assignments or sublettings). In the event that the rent due and payable by a sublessee or assignee (or a combination of the rental payable under such sublease or assignment plus any bonus or other consideration therefor or incident thereto) exceeds the rental payable under this Lease, then Tenant shall be bound and obligated to pay Landlord as additional rent hereunder all such excess rental and other excess consideration within 10 days following receipt thereof by Tenant; provided in the event of a sublease which is less than 100% of the Premises such excess rental and other consideration shall be applied on a square foot basis.

17.3. If this Lease be assigned or if the Premises be subleased (whether in whole or in part) or in the event of the mortgage, pledge, or hypothecation of Tenant's leasehold interest or grant of any concession or license within the Premises or if the Premises be occupied in whole or in part by anyone other than Tenant, then upon a default by Tenant hereunder Landlord may collect rent from the assignee, sublessee, mortgagee, pledgee, party to whom the leasehold interest was hypothecated, concessionee or licensee or other occupant and, except to the extent set forth in the preceding paragraph, apply the amount collected to the next rent payable hereunder; and all such rentals collected by Tenant shall be held in trust for Landlord and immediately forwarded to Landlord. No such transaction or collection

of rent or application thereof by Landlord, however, shall be deemed a waiver of these provisions or a release of Tenant from the further performance by Tenant of its covenants, duties, or obligations hereunder.

18. **Indemnification.** Except for the negligence of Landlord, its agents, employees or contractors, and to the extent permitted by law, Tenant agrees to indemnify, defend and hold harmless Landlord, and Landlord's agents, employees and contractors, from and against any and all losses, liabilities, damages, costs and expenses (including reasonable attorneys' fees) resulting from claims by third parties for injuries to any person and damage to or theft or misappropriation or loss of property occurring in or about the Project directly pertaining to the use and occupancy of the Premises or from any activity, work, or thing done, permitted or suffered by Tenant in or about the Premises or due to any other act or omission of Tenant, its subtenants, assignees, invitees, employees, contractors and agents. The furnishing of insurance required hereunder shall not be deemed to limit Tenant's obligations under this Paragraph 18.

19. **Inspection and Access.** Landlord and its agents, representatives, and contractors may enter the Premises at any reasonable time upon no less than 48 hours' written or electronic notice to the Tenant (except in the event of an emergency, in which case no such notice shall be required) to inspect the Premises and to make such repairs as may be required or permitted pursuant to this Lease and for any other business purpose. Landlord and its agents, representatives, and contractors shall be escorted by a representative of Tenant at all times while on the Premises, except in the event of an emergency in which case Landlord shall use good faith efforts to contact Tenant for an escort. Landlord and Landlord's representatives may enter the Premises during business hours for the purpose of showing the Premises to prospective purchasers and, during the last year of the Lease Term, to prospective tenants. During the last year of the Lease Term, but not before, Landlord may erect a suitable sign on the Premises stating the Premises are available to let or that the Project is available for sale. Landlord may grant easements, make public dedications, designate common areas and create restrictions on or about the Premises, provided that no such easement, dedication, designation, or restriction materially interferes with Tenant's use or occupancy of the Premises or results in any direct or indirect financial or other obligation to Tenant. At Landlord's request, Tenant shall execute such instruments as may be necessary for such easements, dedications, or restrictions.

20. **Quiet Enjoyment.** If Tenant shall perform all of the covenants and agreements herein required to be performed by Tenant, Tenant shall, subject to the terms of this Lease, at all times during the Lease Term, have peaceful and quiet enjoyment of the Premises against any person claiming by, through or under Landlord.

21. **Surrender.** Upon expiration of the Lease Term or earlier termination of Tenant's right of possession, Tenant shall surrender the Premises to Landlord in the same condition as received, ordinary wear and tear, casualty loss and condemnation covered by Paragraphs 15 and 16 excepted and otherwise in accordance with the Move Out Conditions Addendum attached hereto. Any Trade Fixtures, Tenant-Made Alterations and property not so removed by Tenant as permitted or required herein shall be deemed abandoned and may be stored, removed, and disposed of by Landlord at Tenant's expense, and Tenant waives all claims against Landlord for any damages resulting from Landlord's retention and disposition of such property. All obligations of Tenant hereunder not fully performed as of the termination of the Lease Term shall survive the termination of the Lease Term, including without limitation, indemnity obligations, payment obligations with respect to Operating Expenses and obligations concerning the condition and repair of the Premises.

22. **Holding Over.** If Tenant retains possession of the Premises after the expiration or earlier termination of the Lease Term, unless otherwise agreed in writing, such possession shall be subject to immediate termination by Landlord at any time, and all of the other terms and provisions of this Lease (excluding any expansion or renewal option or other similar right or option) shall be applicable during such holdover period, except that Tenant shall pay Landlord from time to time, upon demand, as Base Rent for the holdover period, an amount equal to 150% of the Base Rent in effect on the termination date, computed on a monthly basis for each month or part thereof during such holding over. All other payments shall continue under the terms of this Lease. In addition, Tenant shall be liable for all damages incurred by Landlord as a result of such holding over. No holding over by Tenant, whether with or without consent of Landlord, shall operate to extend this Lease except as otherwise expressly provided, and this Paragraph 22 shall not be construed as consent for Tenant to retain possession of the Premises. For purposes of this Paragraph 22, "possession of the Premises" shall continue until, among other things, Tenant has delivered all keys to the Premises in Tenant's possession to Landlord, Landlord has complete and total dominion and control over the Premises, and

Tenant has completely fulfilled all obligations required of it upon termination of the Lease as set forth in this Lease, including, without limitation, those concerning the condition and repair of the Premises.

23. Events of Default. Each of the following events shall be an event of default ("Event of Default") by Tenant under this Lease:

(i) Tenant shall fail to pay any installment of Base Rent or any other payment required herein when due, and such failure shall continue for a period of 10 days from the date such payment was due.

(ii) Tenant or any guarantor or surety of Tenant's obligations hereunder (A) make a general assignment for the benefit of creditors; (B) commence any case, proceeding or other action seeking to have an order for relief entered on its behalf as a debtor or to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or of any substantial part of its property (collectively a "proceeding for relief"); (C) become the subject of any proceeding for relief which is not dismissed within 60 days of its filing or entry; or (D) die or suffer a legal disability (if Tenant, guarantor, or surety is an individual) or be dissolved or otherwise fail to maintain its legal existence (if Tenant, guarantor or surety is a corporation, partnership or other entity).

(iii) Tenant's program of self-insurance is cancelled or terminated or expires or reduced or materially changed, except, if the same is replaced in each case, as permitted in this Lease and no lapse in coverage occurred during such replacement process, or otherwise approved by Landlord in writing.

(iv) Tenant fails to occupy or vacates the Premises whether or not Tenant is in monetary or other default under this Lease. Tenant's vacating of the Premises shall not constitute an Event of Default if, prior to vacating the Premises, Tenant has made arrangements reasonably acceptable to Landlord to: (a) ensure that Tenant's insurance for the Premises will not be voided or cancelled with respect to the Premises as a result of such vacancy, (b) ensure that the Premises are secured and not subject to vandalism; (c) ensure that the Premises will be properly maintained after such vacation, including, but not limited to, keeping the heating, ventilation and cooling systems maintenance contracts required by this Lease in full force and effect and maintaining the utility services; and (d) inspect the Premises at least once each month and report monthly in writing to Landlord on the condition of the Premises.

(v) Tenant attempts or there occurs any assignment, subleasing or other transfer of Tenant's interest in or with respect to this Lease except as otherwise permitted in this Lease.

(vi) Tenant fails to discharge any lien placed upon the Premises in violation of this Lease within 20 days after any such lien or encumbrance is filed against the Premises.

(vii) Tenant shall fail to comply with any provision of this Lease other than those specifically referred to in this Paragraph 23, and except as otherwise expressly provided herein, such default continues for more than 30 days after Landlord has given Tenant written notice of such default (said notice being in lieu of, and not in addition to, any notice required as a prerequisite to a forcible entry and detainer or similar action for possession of the Premises).

24. Landlord's Remedies.

24.1 Upon each occurrence of an Event of Default and so long as such Event of Default shall be continuing, Landlord may at any time thereafter at its election: terminate this Lease or Tenant's right of possession, (but Tenant shall remain liable as hereinafter provided) and/or pursue any other remedies at law or in equity. Upon the termination of this Lease or termination of Tenant's right of possession, it shall be lawful for Landlord, without formal demand or notice of any kind, to re-enter the Premises by summary dispossession proceedings or any other action or proceeding authorized by law and to remove Tenant and all persons and property therefrom. If Landlord re-enters the Premises, Landlord shall have the right to keep in place and use, or remove and store, all of the furniture at the Premises.

24.2 If Landlord terminates this Lease upon an Event of Default, Landlord may recover from Tenant the sum of: all Base Rent and all other amounts accrued hereunder to the date of such termination; the value of the Base Rent for any periods of abated Monthly Base Rent based on the Monthly Base Rent amount that immediately follows such period of abatement; the cost of reletting the whole or any part of the Premises, including without limitation brokerage fees and/or leasing commissions incurred by Landlord, and costs of removing and storing Tenant's or any other occupant's property, repairing, altering, remodeling, or otherwise putting the Premises into condition acceptable to a new tenant or tenants, and all reasonable expenses incurred by Landlord in pursuing its remedies, including reasonable attorneys' fees and court costs (including, without limitation, pursuant to Paragraph 37(n)); and the excess of the then present value of the Base Rent and other amounts payable by Tenant under this Lease as would otherwise have been required to be paid by Tenant to Landlord during the period following the termination of this Lease measured from the date of such termination to the expiration date stated in this Lease, over the present value of any net amounts which Tenant establishes Landlord can reasonably expect to recover by reletting the Premises for such period, taking into consideration the availability of acceptable tenants and other market conditions affecting leasing. Such present values shall be calculated at a discount rate equal to the 90-day U.S. Treasury bill rate at the date of such termination.

24.3 If Landlord terminates Tenant's right of possession (but not this Lease) upon an Event of Default, Landlord may, but shall be under no obligation to, relet the Premises for the account of Tenant for such rent and upon such terms as shall be satisfactory to Landlord without thereby releasing Tenant from any liability hereunder and without demand or notice of any kind to Tenant. For the purpose of such reletting Landlord is authorized to make any repairs, changes, alterations, or additions in or to the Premises as Landlord deems reasonably necessary. In the event the Premises are relet, Tenant will pay Landlord the Rent and other sums which would be payable under this Lease if repossession had not occurred, less the net proceeds, if any, after reletting the Premises, including without limitation, all repossession costs, brokerage commissions and costs for securing new tenants, attorneys' fees, remodeling and repair costs, costs for removing persons or property, costs for storing Tenant's property and equipment, and costs of tenant improvements and rent concessions granted by Landlord to any new Tenant, prorated over the life of the new lease. If the Premises are relet and a sufficient sum shall not be realized from such reletting (after first deducting therefrom, for retention by Landlord, the unpaid Base Rent and other amounts accrued hereunder at the time of reletting, the cost of recovering possession (including attorneys' fees and costs of suit including, without limitation, under Paragraph 37(n)), all of the costs and expense of repairs, changes, alterations, and additions, the expense of such reletting (including without limitation brokerage fees and leasing commissions) and the cost of collection of the rent accruing therefrom) to satisfy the rent provided for in this Lease to be paid, then Tenant shall immediately satisfy and pay any such deficiency. Any such payments due Landlord shall be made upon demand therefor from time to time and Tenant agrees that Landlord may file suit to recover any sums falling due from time to time. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect in writing to terminate this Lease for such previous breach. If the Premises are not relet, then Tenant shall pay to Landlord as damages a sum equal to the amount of the rental reserved in this Lease for such period or periods, plus the cost of recovering possession of the Premises (including attorneys' fees and costs of suit including, without limitation, under Paragraph 37(n)), the unpaid Base Rent and other amounts accrued hereunder at the time of repossession, and the costs incurred in any attempt by Landlord to relet the Premises.

24.4 Exercise by Landlord of any one or more remedies hereunder granted or otherwise available shall not be deemed to be an acceptance of surrender of the Premises and/or a termination of this Lease by Landlord, whether by agreement or by operation of law, it being understood that such surrender and/or termination can be effected only by the written agreement of Landlord and Tenant. Any law, usage, or custom to the contrary notwithstanding, Landlord shall have the right at all times to enforce the provisions of this Lease in strict accordance with the terms hereof; and the failure of Landlord at any time to enforce its rights under this Lease strictly in accordance with same shall not be construed as having created a custom in any way or manner contrary to the specific terms, provisions, and covenants of this Lease or as having modified the same. Tenant and Landlord further agree that forbearance or waiver by Landlord to enforce its rights pursuant to this Lease or at law or in equity, shall not be a waiver of Landlord's right to enforce one or more of its rights in connection with any subsequent default. A receipt by Landlord of rent or other payment with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach, and no waiver by Landlord of any provision of this Lease shall be deemed to have been made unless expressed in writing and signed by Landlord. Tenant waives all right of redemption in case Tenant shall be

dispossessed by a judgment or by warrant of any court or judge. The terms "enter," "re-enter," "entry" or "re-entry," as used in this Lease, are not restricted to their technical legal meanings. Any reletting of the Premises shall be on such terms and conditions as Landlord in its sole discretion may determine (including without limitation a term different than the remaining Lease Term, rental concessions, alterations and repair of the Premises, lease of less than the entire Premises to any tenant and leasing any or all other portions of the Project before reletting the Premises). Landlord shall not be liable, nor shall Tenant's obligations hereunder be diminished because of, Landlord's failure to relet the Premises or collect rent due in respect of such reletting.

25. **Tenant's Remedies/Limitation of Liability.** Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event less than thirty (30) days after notice by Tenant to Landlord, provided that Landlord shall not be in default if Landlord has made diligent efforts to cure such default within the 30-day period described herein, and thereafter proceeds continuously and diligently to cure such default within a commercially reasonable time. If Landlord fails to cure any such default within the allotted time, Tenant may, in its sole discretion and without limiting Tenant's other rights or remedies under this Lease or at law, pursue all remedies available at law or in equity. Nothing herein contained shall relieve Landlord from its duty to perform any of its obligations to the standard prescribed in this Lease. All obligations of Landlord hereunder shall be construed as covenants, not conditions; and, except as may be otherwise expressly provided in this Lease, Tenant may not terminate this Lease for breach of Landlord's obligations hereunder. All obligations of Landlord under this Lease will be binding upon Landlord only during the period of its ownership of the Premises and not thereafter. The term "Landlord" in this Lease shall mean only the owner, for the time being of the Premises, and in the event of the transfer by such owner of its interest in the Premises, such owner shall thereupon be released and discharged from all obligations of Landlord thereafter accruing, but such obligations shall be binding during the Lease Term upon each new owner for the duration of such owner's ownership. Any liability of Landlord under this Lease shall be limited solely to its interest in the Project, and in no event shall any personal liability be asserted against Landlord in connection with this Lease nor shall any recourse be had to any other property or assets of Landlord.

26. **Landlord's Lien/Security Interest.** Intentionally deleted.

27. **Subordination.**

27.1 Landlord represents to Tenant that as of the date hereof the Building is not subject to or encumbered by a mortgage. This Lease and Tenant's interest and rights hereunder are and shall be subject and subordinate at all times to the lien of any first mortgage, now existing or hereafter created on or against the Project or the Premises, and all amendments, restatements, renewals, modifications, consolidations, refinancing, assignments and extensions thereof, without the necessity of any further instrument or act on the part of Tenant. Tenant agrees, at the election of the holder of any such mortgage, to attorn to any such holder. Tenant agrees upon demand to execute, acknowledge and deliver such reasonable instruments, confirming such subordination and such instruments of attornment as shall be requested by any such holder. Notwithstanding the foregoing, any such holder may at any time subordinate its mortgage to this Lease, without Tenant's consent, by notice in writing to Tenant, and thereupon this Lease shall be deemed prior to such mortgage without regard to their respective dates of execution, delivery or recording and in that event such holder shall have the same rights with respect to this Lease as though this Lease had been executed prior to the execution, delivery and recording of such mortgage and had been assigned to such holder. The term "mortgage" whenever used in this Lease shall be deemed to include deeds of trust, security assignments and any other encumbrances, and any reference to the "holder" of a mortgage shall be deemed to include the beneficiary under a deed of trust.

27.2 Notwithstanding the preceding provisions of this Paragraph 27, this Lease and Tenant's interest in the Premises shall not be subordinate to any future mortgage or deed of trust on the Project, and Tenant shall not be obligated to execute an instrument subordinating this Lease or Tenant's interest in the Premises to any future mortgage or deed of trust on the Project, unless concurrently with such subordination the holder of such mortgage or deed of trust agrees in such instrument of subordination not to disturb Tenant's possession of the Premises (so long as no default exists under the Lease) in the event such holder acquires title to the Premises through foreclosure, deed in lieu of foreclosure or otherwise.

28. **Mechanic's Liens.** Tenant has no express or implied authority to create or place any lien or encumbrance of any kind upon, or in any manner to bind the interest of Landlord or Tenant in, the Premises or to charge the rentals payable hereunder for any claim in favor of any person dealing with Tenant, including those who may furnish materials or perform labor for any construction or repairs. Tenant covenants and agrees that it will pay or cause to be paid all sums legally due and payable by it on account of any labor performed or materials furnished in connection with any work performed on the Premises and that it will save and hold Landlord harmless from all loss, cost or expense based on or arising out of asserted claims or liens against the leasehold estate or against the interest of Landlord in the Premises or under this Lease. Tenant shall give Landlord immediate written notice of the placing of any lien or encumbrance against the Premises and cause such lien or encumbrance to be discharged within 20 days of the filing or recording thereof; provided, however, Tenant may contest such liens or encumbrances as long as such contest prevents foreclosure of the lien or encumbrance and Tenant causes such lien or encumbrance to be bonded or insured over in a manner satisfactory to Landlord within such 20 day period.

29. **Estoppel Certificates.** Tenant agrees, from time to time, within 15 days after request of Landlord, to execute and deliver to Landlord, or Landlord's designee, any estoppel certificate reasonably requested by Landlord, stating that this Lease is in full force and effect, the date to which rent has been paid, that Landlord is not in default hereunder (or specifying in detail the nature of Landlord's default), the termination date of this Lease and such other matters pertaining to this Lease as may be requested by Landlord. Tenant's obligation to furnish each estoppel certificate in a timely fashion is a material inducement for Landlord's execution of this Lease. No cure or grace period provided in this Lease shall apply to Tenant's obligations to timely deliver an estoppel certificate.

30. **Environmental Requirements.**

30.1 The term "Environmental Requirements" means all applicable present and future statutes, regulations, ordinances, rules, codes, judgments, orders or other similar enactments of any governmental authority or agency regulating or relating to health, safety, or environmental conditions on, under, or about the Premises or the environment, including without limitation, the following: the Comprehensive Environmental Response, Compensation and Liability Act; the Resource Conservation and Recovery Act; and all state and local counterparts thereto (including, without limitation, the Washington State Model Toxics Control Act, RCW ch. 70.105D ("MTCA"); the Washington Hazardous Waste Management Act, RCW ch. 70.105; the Washington Water Pollution Control Act, RCW ch. 90.48), and any regulations or policies promulgated or issued thereunder. The term "Hazardous Materials" means and includes any substance, material, waste, pollutant, or contaminant listed or defined as hazardous or toxic, under any Environmental Requirements, asbestos and petroleum, including crude oil or any fraction thereof, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas). As defined in Environmental Requirements, Tenant shall be deemed to be the "operator" of Tenant's "facility" and the "owner" of all Hazardous Materials brought on the Premises by Tenant, its agents, employees, contractors or invitees, and the wastes, by-products, or residues generated, resulting, or produced therefrom, except with respect to Pre-existing Hazardous Materials (as defined in 30.2). No cure or grace period provided in this Lease shall apply to Tenant's obligations to comply with the terms and conditions of this Paragraph 30.

30.2 Notwithstanding anything to the contrary in this Paragraph 30, Tenant shall have no liability of any kind to Landlord as to Hazardous Materials on the Premises caused or permitted by (i) Landlord, its agents, employees, contractors, or invitees; (ii) any other tenants in the Project or their agents, employees, contractors, subtenants, assignees, or invitees; or (iii) existing in or on the Building, on the Premises, or on the Project prior to the date this Lease is executed ("Pre-existing Hazardous Materials"). If Hazardous Materials are hereafter discovered on the Premises, or Tenant has reasonable cause to believe that any Hazardous Materials are located in, under or about the Premises or Building in violation of any Environmental Requirements, other than any Pre-existing Hazardous Materials, then Tenant shall promptly give Landlord notice thereof, together with any statement, report, notice, registration, application, permit, business plan, license, claim, action, or proceeding given to Tenant, or received by Tenant from any governmental authority or private party concerning the presence, spill, release, discharge of, or exposure to, such Hazardous Materials at the Premises during the Lease Term. If the presence of such Hazardous Materials is not the result of Tenant's use of the Premises or any act or omission of Tenant or its agents, employees, contractors, subtenants or invitees, and the presence of such Hazardous Materials violates Environmental Requirements, Landlord shall promptly take commercially reasonable actions at its sole expense as are necessary to comply with Environmental Requirements in order to mitigate such Hazardous Materials condition to the extent Landlord is required by the Environmental

Requirements. Notwithstanding anything herein to the contrary, if Landlord obtains a letter from the appropriate governmental authority that no further mitigation or remediation is required Landlord's obligation to mitigate as provided in this paragraph shall be deemed satisfied.

30.3 Tenant shall not cause or permit any Hazardous Material to be brought upon, kept, or used in or about, or disposed of on the Premises or the Project by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, except in strict compliance with all Environmental Requirements, and provided that Tenant has first secured Landlord's prior written consent; and provided further that Landlord and Tenant acknowledge that the materials reflected in Addendum 3 are hereby approved by Landlord pursuant to such Addendum. Tenant, at its sole cost and expense, shall operate its business in the Premises in strict compliance with all Environmental Requirements and shall remediate, at its sole expense, as required by the Environmental Requirements, any Hazardous Materials released on or from the Project by Tenant, its agents, employees, contractors, subtenants or invitees. Tenant shall indemnify, defend and hold Landlord harmless from and against any and all losses (including, without limitation, diminution in value of the Premises or the Project and loss of rental income from the Project), claims, demands, actions, suits, judgments, damages, penalties, fines, costs, liabilities or expenses (including, without limitation, remediation, removal, repair, corrective action, or cleanup expenses), including without limitation sums paid in settlement of claims, reasonable attorneys' fees, consultant fees and expert fees, incurred or suffered by Landlord either during or after the Lease Term, and including, without limitation, removal or management of any asbestos brought into the property or disturbed in breach of the requirements of this Paragraph 30, regardless of whether such removal or management is required by law) ("Claims") which are brought or recoverable against, or suffered or incurred by Landlord as a result of any release of Hazardous Materials for which Tenant is obligated to remediate as provided above or any other breach of the requirements under this Paragraph 30 by Tenant, its agents, employees, contractors, subtenants, assignees or invitees, regardless of whether Tenant had knowledge of such noncompliance. Tenant shall promptly notify Landlord of any inquiry, investigation or notice that Tenant may receive from any third party regarding the actual or suspected presence of Hazardous Material on the Premises or the Project.

30.4 Without limiting the foregoing, if the presence of any Hazardous Material brought upon, kept or used in or about the Premises or the Project by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, results in any release of any Hazardous Material on the Premises or the Project, Tenant shall be solely responsible, at its sole cost, for promptly remediating the same in accordance with 30.3 above. Landlord's approval of such remediation shall first be obtained, which approval shall not be unreasonably withheld, conditioned or delayed, provided, however, that Tenant shall be entitled to respond immediately to an emergency without prior approval from Landlord, including but not limited to taking actions necessary to prevent the release from migrating, leaching or otherwise spreading, and actions necessary to respond to any immediate obligations imposed on Tenant by Environmental Requirements. To the extent such Hazardous Material becomes comingled with any Pre-existing Hazardous Materials or Hazardous Material released by Landlord or other parties, nothing in this Lease shall prevent Tenant from seeking to recover costs, expenses, or any other damages incurred as a result of the presence of such any Pre-existing Hazardous Materials or Hazardous Materials released by Landlord or other parties. Tenant shall complete and certify to disclosure statements as requested by Landlord in writing from time to time relating to Tenant's transportation, storage, use, generation, manufacture or release of Hazardous Materials on the Premises.

30.5 Nothing in this Paragraph 30 shall prevent Landlord from conducting inspections and testing of the Project, the Premises, or the Building and related to Hazardous Materials or environmental conditions, provided that such inspections and testing shall remain subject to the notice and escort provisions of Paragraph 19. Such inspections and tests shall be conducted at Landlord's expense, unless such inspections or tests reveal that Tenant has not complied with any Environmental Requirement, in which case Tenant shall reimburse Landlord for the reasonable cost of such inspection and tests. Landlord's receipt of or satisfaction with any environmental assessment in no way waives any rights that Landlord holds against Tenant.

30.6 The provisions of this Paragraph 30 shall survive expiration or earlier termination of this Lease.

30.7 Any liability arising under Paragraphs 30.1-30.7, shall be subject to the indemnities in this Paragraph 30, and shall not be subject to Paragraph 18.

31. **Rules and Regulations.** Tenant shall, at all times during the Lease Term and any extension thereof, comply with all reasonable rules and regulations at any time or from time to time established by Landlord covering use of the Premises and the Project. The current Project rules and regulations are attached hereto as Exhibit B. In the event of any conflict between said rules and regulations and other provisions of this Lease, the other terms and provisions of this Lease shall control. Landlord shall not have any liability or obligation for the breach of any rules or regulations by other tenants in the Project.

32. **Intentionally deleted.**

33. **Force Majeure.** Time periods for either party's performance under any provisions of this Lease (excluding payment of Rent) shall be extended for periods of time during which the party's performance is prevented due to circumstances beyond such party's reasonable control, including without limitation, fires, floods, earthquakes, lockouts, strikes, embargoes, governmental regulations, acts of God, public enemy, war or other strife ("Force Majeure").

34. **Entire Agreement.** This Lease, together with its attachments, constitutes the complete agreement of Landlord and Tenant with respect to the subject matter hereof. No representations, inducements, promises or agreements, oral or written, have been made by Landlord or Tenant, or anyone acting on behalf of Landlord or Tenant, which are not contained herein, and any prior agreements, promises, negotiations, or representations are superseded by this Lease. This Lease may not be amended except by an instrument in writing signed by both parties hereto.

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

36. **Brokers.** Tenant represents that it has dealt with no broker, agent or other person in connection with this transaction and that no broker, agent or other person brought about this transaction, other than the broker, if any, set forth on the first page of this Lease.

37. **Miscellaneous.**

(a) Any payments or charges due from Tenant to Landlord hereunder shall be considered rent for all purposes of this Lease.

(b) If and when included within the term "Tenant," as used in this instrument, there is more than one person, firm or corporation, each shall be jointly and severally liable for the obligations of Tenant.

(c) All notices required or permitted to be given under this Lease shall be in writing and shall be sent by registered or certified mail, return receipt requested, or by a reputable national overnight courier service, postage prepaid, or by hand delivery addressed to Landlord at 12720 Gateway Drive, Suite 110, Tukwila, WA, Attention: Market Officer, with a copy sent to Landlord at 1800 Wazee Street, Suite 500, Denver, Colorado 80239, Attention: General Counsel, and to Tenant at King County Metro Transit Department, Transit Real Estate and Environmental Planning, 201 S. Jackson Street, Seattle WA 98104-3856. Either party may by notice given aforesaid change its address for all subsequent notices or add an additional party to be copied on all subsequent notices. Except where otherwise expressly provided to the contrary, notice shall be deemed given upon delivery.

(d) Except as otherwise expressly provided in this Lease or as otherwise required by law, Landlord retains the absolute right to withhold any consent or approval.

(e) **Intentionally deleted.**

(f) A Memorandum of this Lease, in substantially the same form as attached hereto as Exhibit G, may be recorded by the Parties. If such Memorandum of Lease is recorded, the Parties shall execute a Termination of Memorandum of Lease, in substantially the same form as attached hereto as Exhibit H, upon expiration or earlier termination of this Lease.

(g) The normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Lease or any exhibits or amendments hereto.

(h) The submission by Landlord to Tenant of this Lease shall have no binding force or effect, shall not constitute an option for the leasing of the Premises, nor confer any right or impose any obligations upon either party until execution of this Lease by both parties.

(i) Words of any gender used in this Lease shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires. The captions inserted in this Lease are for convenience only and in no way define, limit or otherwise describe the scope or intent of this Lease, or any provision hereof, or in any way affect the interpretation of this Lease.

(j) Any amount not paid by Tenant within 5 business days after its due date in accordance with the terms of this Lease shall bear interest from such due date until paid in full at the lesser of the highest rate permitted by applicable law or 15 percent per year. It is expressly the intent of Landlord and Tenant at all times to comply with applicable law governing the maximum rate or amount of any interest payable on or in connection with this Lease. If applicable law is ever judicially interpreted so as to render usurious any interest called for under this Lease, or contracted for, charged, taken, reserved, or received with respect to this Lease, then it is Landlord's and Tenant's express intent that all excess amounts theretofore collected by Landlord be credited on the applicable obligation (or, if the obligation has been or would thereby be paid in full, refunded to Tenant), and the provisions of this Lease immediately shall be deemed reformed and the amounts thereafter collectible hereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder.

(k) This Lease shall without reference to its choice of law rules or conflicts of law provisions be governed by and construed in accordance with the laws of the State of Washington.

(l) Time is of the essence as to the performance of Tenant's and Landlord's obligations under this Lease.

(m) All exhibits and addenda attached hereto are hereby incorporated into this Lease and made a part hereof. In the event of any conflict between such exhibits or addenda and the terms of this Lease, such exhibits or addenda shall control.

(n) In the event either party hereto initiates litigation to enforce the terms and provisions of this Lease, the non-prevailing party in such action shall reimburse the prevailing party for its reasonable attorney's fees, filing fees, and court costs.

(o) Landlord's signature on this Lease shall be deemed withdrawn and this Lease shall be null and void unless duly countersigned by Tenant no later than February 28, 2020.

(p) This Lease may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of such counterparts shall constitute one Lease. Execution copies of this Lease may be delivered by facsimile or email, and the parties hereto agree to accept and be bound by facsimile signatures or scanned signatures transmitted via email hereto, which signatures shall be considered as original signatures with the transmitted Lease having the same binding effect as an original signature on an original Lease. At the request of either party, any facsimile document or scanned document transmitted via email is to be re-executed in original form by the party who executed the original facsimile document or scanned document. Neither party may raise the use of a facsimile machine or scanned document or the fact that any signature was transmitted through the use of a facsimile machine or email as a defense to the enforcement of this Lease.

38. WAIVER OF JURY TRIAL. TENANT AND LANDLORD WAIVE ANY RIGHT TO TRIAL BY JURY OR TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, BETWEEN LANDLORD AND TENANT ARISING OUT OF THIS LEASE OR ANY OTHER INSTRUMENT, DOCUMENT, OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith OR THE TRANSACTIONS RELATED HERETO.

39. Anti-discrimination. Landlord shall not discriminate on the basis of race, color, marital status, national origin, religious affiliation, disability, sexual orientation, gender identity or expression or age except by minimum age and retirement provisions, unless based upon a bona fide occupational qualification, in the employment or application for employment or in the administration or delivery of services or any other benefits under King County Code Ch. 12.16.125. Landlord shall comply fully with all applicable federal, state and local laws, ordinances, executive orders and regulations that prohibit such discrimination. These laws include, but are not limited to, chapter 49.60 RCW, and Titles VI and VII of the Civil Rights Act of 1964. Any Landlord violation of this provision, following applicable notice and cure periods, shall be considered a default of this Lease and shall be grounds for any remedies available to Tenant at law or in equity, which may include cancellation, termination, or suspension, in whole or in part, of the Lease and which may result in ineligibility for further agreements with King County.

[SIGNATURE BLOCKS ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the day and year first above written.

TENANT:

King County, a political subdivision
of the State of Washington

By: _____
Name: Anthony O. Wright
Title: King County Facilities Management Director

Approved by Custodial Agency

By: _____
Name: _____
Title: _____

APPROVED AS TO FORM:

BY: _____
Erin Jackson, Deputy Prosecuting Attorney

LANDLORD:

**Prologis-Exchange 3301 South
Norfolk LLC**, a Delaware limited
liability company

By: Richard R. Kolpa
Name: RICHARD R. KOLPA
Title: S.V.P.
11/7/19

COUNTY OF King

Before me, the subscribers, a notary public in and for said county, personally appeared Richard R. Kolpa, the Senior Vice President of Prologis, the Landlord in the foregoing instrument, who acknowledged the signing of the foregoing instrument to be his/her free act and deed on behalf of the Landlord for the uses and purposes set forth therein.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed my official seal on the 7th day of November, 2019.



Kimberley Nemethy
NOTARY PUBLIC, STATE OF

STATE OF _____
COUNTY OF _____

Before me, the subscribers, a notary public in and for said county, personally appeared _____, the _____ of _____, the Tenant in the foregoing instrument, who acknowledged the signing of the foregoing instrument to be his/her free act and deed on behalf of the Tenant for the uses and purposes set forth therein.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed my official seal on the _____ day of _____, 20__.

NOTARY PUBLIC, STATE OF

STATE OF _____

COUNTY OF _____

Before me, the subscribers, a notary public in and for said county, personally appeared _____, the _____ of _____, the Tenant in the foregoing instrument, who acknowledged the signing of the foregoing instrument to be his/her free act and deed on behalf of the Tenant for the uses and purposes set forth therein.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed my official seal on the _____ day of _____, 20__.

NOTARY PUBLIC, STATE OF

ADDENDUM I

BASE RENT ADJUSTMENTS

Base Rent shall equal the following amounts for the respective periods set forth below:

	<u>Period</u>	<u>Monthly Base Rent</u>
<u>August 1, 2020</u>	through <u>July 31, 2021</u>	<u>\$175,659.68</u>
<u>August 1, 2021</u>	through <u>July 31, 2022</u>	<u>\$180,929.47</u>
<u>August 1, 2022</u>	through <u>July 31, 2023</u>	<u>\$186,357.35</u>
<u>August 1, 2023</u>	through <u>July 31, 2024</u>	<u>\$191,948.08</u>
<u>August 1, 2024</u>	through <u>July 31, 2025</u>	<u>\$197,706.52</u>
<u>August 1, 2025</u>	through <u>July 31, 2026</u>	<u>\$203,637.71</u>
<u>August 1, 2026</u>	through <u>July 31, 2027</u>	<u>\$209,746.84</u>
<u>August 1, 2027</u>	through <u>July 31, 2028</u>	<u>\$216,039.25</u>
<u>August 1, 2028</u>	through <u>July 31, 2029</u>	<u>\$222,520.43</u>
<u>August 1, 2029</u>	through <u>July 31, 2030</u>	<u>\$229,196.04</u>
<u>August 1, 2030</u>	through <u>July 31, 2031</u>	<u>\$236,071.92</u>
<u>August 1, 2031</u>	through <u>July 31, 2032</u>	<u>\$243,154.08</u>

ADDENDUM 2

INITIAL IMPROVEMENTS

ATTACHED TO AND A PART OF THE LEASE AGREEMENT
DATED _____, 20__, BETWEEN

Prologis-Exchange 3301 South Norfolk LLC, a Delaware limited liability company ("Landlord")

And

King County, a political subdivision of the State of Washington

(a) Landlord agrees to furnish or perform at Landlord's sole cost and expense, using Landlord's standard materials and Landlord's standard practices, those items of exterior construction (the "Exterior Improvements") specified below:

- Paved parking area.
- Heavy duty asphalt section (4" HMA over 6" rock).
- Striping at bus track and parking areas.
- Install exterior lighting in the parking area to provide FC average at grade.
- 6' black vinyl coated chain link fencing at perimeter.
- Primary power, electrical transformer, secondary power, up to 2,000 amp switchgear and stub ups to office building. Modular office GC to make final connections.
- Stub ups for water, sewer and gas. Modular office GC to make final connections.
- Stub up and pathway for telecom. Tenant is responsible for ordering phone/fiber.

Landlord additionally agrees to furnish or perform at Landlord's cost and expense (but subject to reimbursement from Tenant as set forth below) those items of construction and building standard improvements or installations (the "Office Improvements," and together with the Exterior Improvements, the "Initial Improvements") specified below:

- Office area:
- Install office trailers with an area of approximately 12,000 sf to be in a mutually-agreeable location (with such construction or installation, as the case may be, to be performed in accordance with plans and specifications reasonably agreed upon between the parties).

The elements of the Office Improvements will be depicted in the construction documents to be prepared by Landlord ("Space Plan"). The Office Improvements must comply with King County's Green Building Program, codified as KCC 18.17, and which are subject to approval by Tenant. Landlord shall initially pay for the Office Improvements, and Tenant will repay Landlord for the final costs thereof, along with a 5% construction management fee, within 30 days after Landlord's invoice therefor.

(b) Landlord shall bid the Office Improvements to at least three (3) qualified design-build contractors approved by Tenant in its reasonable discretion. Tenant shall provide all design criteria and specifications for the Office Improvements to support the Landlord's bid process. Landlord shall provide copies of the bids from such contractors to Tenant and the selection of a contractor to perform the Office Improvements shall be subject to Tenant's reasonable approval, which shall be given within 5 days after receipt of Landlord's selection. In the event that Tenant has not responded with a reasonably detailed objection to Landlord's selection within such 5-day period, Tenant's approval to such selected contractor shall be deemed given. Notwithstanding anything herein to the contrary, Landlord agrees to cause, and to require all contractors performing the Office Improvements to cause, all laborers, workers and mechanics (as such terms are defined in Chapter 39.12 of the Revised Code of Washington) performing the work to be paid the prevailing rate of wages (as defined in Chapter 39.12 of the Revised Code of Washington). Landlord shall supervise and secure completion of the work.

(c) After receipt of the bids from contractors, but prior to Landlord entering into a construction contract for the installation of the Office Improvements, Landlord shall prepare "Final Pricing" and a Guaranteed Maximum Price (GMP) of the Office Improvements for Tenant's approval. The GMP is to include the cost of all design, permits, easements and variances required to construct the Office Improvements. No further changes to the work plans may be made by either Landlord or Tenant without the prior approval from the other party, and then only after agreement from the requesting party to pay any excess costs resulting from the design and construction of such changes. In the event that the Final Pricing proposed by Landlord exceeds Tenant's planned budget, Tenant may, at its sole discretion, elect to reduce the scope of the Office Improvements to reduce the cost of Office Improvements to comply with Tenant's planned budget. Tenant's modifications to the Office Improvements to achieve the reduction in scope shall be subject to Landlord's approval. Any increase for any reason whatsoever to the cost of the Initial Improvements above the GMP approved by Tenant, including without limitation the requirements of any governmental agency, shall require Tenant's prior written approval. Such prior written approval shall not be unreasonably withheld, conditioned or delayed provided that the exceedance of GMP is due to the requirements of any governmental agency.

(d) Landlord shall be solely responsible for performing and paying for any additional work that must be performed to the Premises due to (i) any condition of the Premises that may be discovered during the course of designing or constructing the Exterior Improvements (such as, without limitation, the presence of hazardous materials); and (ii) the negligence or intentional misconduct of Landlord, the contractor or any subcontractor. Landlord hereby warrants to Tenant that, as of the Commencement Date and to the best of Landlord's knowledge, Landlord is not aware of any condition or deficiency in the Premises that is reasonably likely to increase the cost of the Initial Improvements (such as, without limitation, the presence of any hazardous material), excluding any hazardous materials that are introduced at the Project by Tenant.

(e) If Tenant shall desire any changes to the Initial Improvements, Tenant shall so advise Landlord in writing and Landlord shall determine whether such changes can be made in a reasonable and feasible manner. Any and all costs of reviewing any requested changes, and any and all costs of making any changes to the Initial Improvements which Tenant may request and which Landlord may agree to shall be at Tenant's sole cost and expense and shall be paid to Landlord upon demand and before execution of the change order.

(f) Landlord shall proceed with and complete the construction of the Office Improvements consistent with KCC 18.17. As soon as such improvements have been Substantially Completed, Landlord shall notify Tenant in writing of the date that the Initial Improvements were Substantially Completed. The Initial Improvements shall be deemed substantially completed ("Substantially Completed") when, in the opinion of the construction manager (whether an employee or agent of Landlord or a third party construction manager) ("Construction Manager"), the Initial Improvements are substantially completed except for punch list items which do not prevent in any material way the use of the Initial Improvements for the purposes for which they were intended. In the event Tenant, its employees, agents, or contractors cause construction of such improvements to be delayed, the date of Substantial Completion shall be deemed to be the date that, in the opinion of the Construction Manager, Substantial Completion would have occurred if such delays had not taken place. Without limiting the foregoing, Tenant shall be solely responsible for delays caused by Tenant's request for any changes in the plans, delays in providing design criteria and/or specifications for purposes of bidding, Tenant's request for long lead items or Tenant's interference with the construction of the Initial Improvements, and such delays shall not cause a deferral of the Commencement Date beyond what it otherwise would have been. After the date the Initial Improvements are Substantially Complete Tenant shall, upon demand, execute and deliver to Landlord a letter of acceptance of delivery of the Initial Improvements. In the event of any dispute as to the Initial Improvements the certificate of the Construction Manager shall be conclusive absent manifest error.

(g) The failure of Tenant to take possession of or to occupy the Premises shall not serve to relieve Tenant of obligations arising on the Commencement Date or delay the payment of rent by Tenant. Subject to applicable ordinances and building codes governing Tenant's right to occupy or perform in the Premises, Tenant shall be allowed to install its tenant improvements, machinery, equipment, fixtures, or other property on the Premises during the final stages of completion of construction provided that Tenant does not thereby interfere with the completion of construction or cause any labor dispute as a result of such Tenant installations, and provided further that Tenant does hereby agree to indemnify, defend, and hold Landlord harmless from any loss or damage to such property, and all

liability, loss, or damage arising from any injury to the Project or the property of Landlord, its contractors, subcontractors, or materialmen, and any death or personal injury to any person or persons arising out of such Tenant installations, unless any such loss, damage, liability, death, or personal injury was caused by Landlord's negligence. Any such occupancy or performance in the Premises shall be in accordance with the provisions governing Tenant-Made Alterations and Trade Fixtures in the Lease, and shall be subject to Tenant providing to Landlord satisfactory evidence of insurance for personal injury and property damage related to such installations and satisfactory payment arrangements with respect to installations permitted hereunder. Delay in putting Tenant in possession of the Premises shall not serve to extend the term of this Lease or to make Landlord liable for any damages arising therefrom.

(h) Tenant or its accountants shall have the right to inspect and audit Landlord's books and records with respect to the Office Improvements to verify actual costs thereof. Tenant shall exercise this right by giving written notice to Landlord of its intent to audit, which notice shall be given by Tenant within six (6) months after the completion of the Office Improvements. Upon giving such notice, Tenant or its accountants, at Tenant's sole cost (except as otherwise provided below), shall have the right for the succeeding sixty (60) days to inspect and audit Landlord's books and records with respect to the Office Improvements to verify the actual costs thereof. Tenant shall not pay any person or entity conducting such an audit on a contingency basis. Any overcharge or underpayment shall be due from one party to the other within thirty (30) days after the amount of the overcharge or underpayment has been mutually agreed upon or established by a court of competent jurisdiction; provided that Tenant may elect to apply any overcharge against Tenant's future Rent under the Lease. If an overcharge against Tenant of more than seven percent (7%) of the Office Improvements is discovered, Landlord shall also reimburse Tenant for the cost of the audit within thirty days of receipt of a statement and if Landlord fails to timely reimburse Tenant, Tenant may reduce any future Rent due to Landlord under the Lease until such reimbursement has been fully realized.

(i) Landlord shall warrant and be solely responsible, for one (1) year from Substantial Completion, for promptly remedying any defects in the Initial Improvements, at Landlord's sole cost (excluding normal wear and tear as the result of Tenant's use and Tenant's maintenance obligations pursuant to this Lease).

(j) Tenant hereby agrees to indemnify, defend, and hold Landlord harmless from any loss or damage to its personal property, and all liability, loss, or damage arising from any injury to the Project or the property of Landlord, its contractors, subcontractors, or materialmen, and any death or personal injury to any person or persons arising out of such Tenant installations, unless any such loss, damage, liability, death, or personal injury was caused by Landlord's negligence. Should a court of competent jurisdiction determine that this Lease is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Landlord and the County, its officers, officials, employees, and volunteers, the Landlord's liability hereunder shall be only to the extent of the Landlord's negligence.

(k) Without limitation, Landlord shall be solely responsible for, and shall indemnify and defend Tenant from and against, any costs, claims, losses, damages, suits or expenses related to (i) remedying any errors or defects in Initial Improvements not installed by Tenant, (ii) any failure of Initial Improvements to comply with mutually agreed-upon plans, including the agreed-upon GMP; and (iii) the negligence or intentional misconduct of Landlord and any of its contractors or subcontractors or all of them. Landlord agrees to defend, indemnify, and hold harmless the Tenant for claims by Landlord's or Contractor's employees and agrees to waive its immunity under Title 51 RCW, (only with respect to its obligations to Tenant), which waiver has been mutually negotiated by the parties.

(l) Landlord and Tenant shall act in good faith and deal fairly in performing their respective duties under this Addendum 2. If a dispute arises with respect to the Initial Improvements, or any obligation of the parties under this Addendum 2, the parties agree to work diligently to resolve the dispute. In the event the parties cannot resolve the dispute, they may jointly elect to submit the dispute to mediation with a mutually-agreeable mediation firm located in Seattle, Washington. The decision of the mediator shall be non-binding and shall not constitute a condition precedent to having such dispute decided in a court.

(m) Tenant has designated _____ as its sole representative with respect to the matters set forth in this Addendum 2, who, until further written notice to Landlord, shall have full authority and

responsibility to act on behalf of the Tenant as required in this Addendum 2. Landlord has designated _____ as its sole representative with respect to the matters set forth in this Addendum 2, who, until further written notice to Tenant, shall have full authority and responsibility to act on behalf of the Landlord as required in this Addendum 2.

ADDENDUM 3

STORAGE AND USE OF PERMITTED HAZARDOUS MATERIALS

ATTACHED TO AND A PART OF THE LEASE AGREEMENT
DATED _____, 20__, BETWEEN

Prologis-Exchange 3301 South Norfolk LLC, a Delaware limited liability company ("Landlord")

And

King County, a political subdivision of the State of Washington

1. Permitted Hazardous Materials and Use.

Tenant has requested Landlord's consent to use the Hazardous Materials listed below in its business at the Premises (the "Permitted Hazardous Materials"). Subject to the conditions set forth herein, Landlord hereby consents to the Use (hereinafter defined) of the Permitted Hazardous Materials. Any Permitted Hazardous Materials on the Premises will be generated, used, received, maintained, treated, stored, or disposed in a manner consistent with good engineering practice and in compliance with all Environmental Requirements.

Permitted Hazardous Materials (including maximum quantities):

The storage, uses or processes involving the Permitted Hazardous Materials (the "Use") are described below.

Use [If limited to receiving and storage, so specify]:

2. No Current Investigation. Tenant represents and warrants that it is not currently subject to an inquiry, regulatory investigation, enforcement order, or any other proceeding regarding the generation, use, treatment, storage, or disposal of a Hazardous Material.

3. Notice and Reporting. Tenant immediately shall notify Landlord in writing of any spill, release, discharge, or disposal of any Hazardous Material in, on or under the Premises or the Project. All reporting obligations imposed by Environmental Requirements are strictly the responsibility of Tenant. Tenant shall supply to Landlord within 5 business days after Tenant first receives or sends the same, copies of all claims, reports, complaints, notices, warnings or asserted violations relating in any way to Tenant's use of the Premises.

4. Indemnification. Tenant's indemnity obligation under the Lease with respect to Hazardous Materials shall include indemnification for the liabilities, expenses and other losses described therein as a result of the Use of the Hazardous Materials or the breach of Tenant's obligations or representations set forth above. It is the intent of this provision that Tenant be strictly liable to Landlord as a result of the Use of Hazardous Materials without regard to the fault or negligence of Tenant, Landlord or any third party.

5. Disposal Upon Lease Termination. At the expiration or earlier termination of the Lease, Tenant, at its sole cost and expense, shall: (i) remove and dispose off-site any drums, containers, receptacles, structures, or tanks storing or containing Hazardous Materials (or which have stored or contained Hazardous Materials) and the contents thereof; (ii) remove, empty, and purge all underground and above ground storage tank systems, including connected piping, of all vapors, liquids, sludges and residues; and (iii) restore the Premises to its original condition as of the date of Tenant's original occupancy of the Premises. Such activities shall be performed in compliance with all Environmental Requirements and to the satisfaction of Landlord. Landlord's satisfaction with such activities or the condition of the Premises does not waive, or release Tenant from, any obligations hereunder.

ADDENDUM 4 – THREE RENEWAL OPTIONS AT MARKET
ATTACHED TO AND A PART OF THE LEASE AGREEMENT
DATED _____, 20__, BETWEEN

Prologis-Exchange 3301 South Norfolk LLC, a Delaware limited liability company ("Landlord")

And

King County, a political subdivision of the State of Washington

(a) Provided that as of the time of the giving of the First Extension Notice and the Commencement Date of the First Extension Term, (i) Tenant is the Tenant originally named herein, (ii) Tenant actually occupies all of the Premises initially demised under this Lease and any space added to the Premises, and (iii) no Event of Default exists or would exist but for the passage of time or the giving of notice, or both; then Tenant shall have the right to extend the Lease Term for an additional term of five (5) years (such additional term is hereinafter called the "First Extension Term") commencing on the day following the expiration of the Lease Term (hereinafter referred to as the "Commencement Date of the First Extension Term"). Tenant shall give Landlord notice (hereinafter called the "First Extension Notice") of its election to extend the term of the Lease Term at least 9 months, but not more than 12 months, prior to the scheduled expiration date of the Lease Term.

(b) Provided that as of the time of the giving of the Second Extension Notice and the Commencement Date of the Second Extension Term, (i) Tenant is the Tenant originally named herein, (ii) Tenant actually occupies all of the Premises initially demised under this Lease and any space added to the Premises, and (iii) no Event of Default exists or would exist but for the passage of time or the giving of notice, or both and provided Tenant has exercised its option for the First Extension Term; then Tenant shall have the right to extend the Lease Term for an additional term of five (5) (such additional term is hereinafter called the "Second Extension Term") commencing on the day following the expiration of the First Extension Term (hereinafter referred to as the "Commencement Date of the Second Extension Term"). Tenant shall give Landlord notice (hereinafter called the "Second Extension Notice") of its election to extend the term of the Lease Term at least 9 months, but not more than 12 months, prior to the scheduled expiration date of the First Extension Term.

(c) Provided that as of the time of the giving of the Third Extension Notice and the Commencement Date of the Third Extension Term, (i) Tenant is the Tenant originally named herein, (ii) Tenant actually occupies all of the Premises initially demised under this Lease and any space added to the Premises, and (iii) no Event of Default exists or would exist but for the passage of time or the giving of notice, or both and provided Tenant has exercised its option for the First Extension Term and the Second Extension Term; then Tenant shall have the right to extend the Lease Term for an additional term of five (5) (such additional term is hereinafter called the "Third Extension Term") commencing on the day following the expiration of the Second Extension Term (hereinafter referred to as the "Commencement Date of the Third Extension Term"). Tenant shall give Landlord notice (hereinafter called the "Third Extension Notice") of its election to extend the term of the Lease Term at least 9 months, but not more than 12 months, prior to the scheduled expiration date of the Second Extension Term.

(d) The Base Rent payable by Tenant to Landlord during the First Extension Term shall be the greater of (i) the Base Rent applicable to the last year of the initial Lease Term and (ii) the then prevailing market rate for comparable space in the Project and comparable yard space (and per square foot market rates of smaller yard spaces in the vicinity of the Project) and buildings in the Project and the vicinity thereof, taking into account the size of the Lease, the length of the renewal term, market escalations and the credit of Tenant. The Base Rent shall not be reduced by reason of any costs or expenses saved by Landlord by reason of Landlord's not having to find a new tenant for such premises (including, without limitation, brokerage commissions, costs of improvements, rent concessions or lost rental income during any vacancy period). In the event Landlord and Tenant fail to reach an agreement on such rental rate and execute the Amendment (defined below) at least 6 months prior to the expiration of the Lease, then Tenant's exercise of the renewal option shall be deemed withdrawn and the Lease shall terminate on its original expiration date, unless the arbitration

procedure set forth below is invoked.

(e) The Base Rent payable by Tenant to Landlord during the Second Extension Term shall be the greater of (i) the Base Rent applicable to the last year of the First Extension Term and (ii) the then prevailing market rate for comparable space in the Project and comparable buildings in the vicinity of the Project, taking into account the size of the Lease, the length of the renewal term and the credit of Tenant. The Base Rent shall not be reduced by reason of any costs or expenses saved by Landlord by reason of Landlord's not having to find a new tenant for such premises (including, without limitation, brokerage commissions, costs of improvements, rent concessions or lost rental income during any vacancy period). In the event Landlord and Tenant fail to reach an agreement on such rental rate and execute the Amendment (defined below) at least 6 months prior to the expiration of the Lease, then Tenant's exercise of the renewal option shall be deemed withdrawn and the Lease shall terminate at the end of the First Extension Term, unless the arbitration procedure set forth below is invoked.

(f) The Base Rent payable by Tenant to Landlord during the Third Extension Term shall be the greater of (i) the Base Rent applicable to the last year of the Second Extension Term and (ii) the then prevailing market rate for comparable space in the Project and comparable buildings in the vicinity of the Project, taking into account the size of the Lease, the length of the renewal term and the credit of Tenant. The Base Rent shall not be reduced by reason of any costs or expenses saved by Landlord by reason of Landlord's not having to find a new tenant for such premises (including, without limitation, brokerage commissions, costs of improvements, rent concessions or lost rental income during any vacancy period). In the event Landlord and Tenant fail to reach an agreement on such rental rate and execute the Amendment (defined below) at least 6 months prior to the expiration of the Lease, then Tenant's exercise of the renewal option shall be deemed withdrawn and the Lease shall terminate at the end of the Second Extension Term, unless the arbitration procedure set forth below is invoked.

(g) The determination of Base Rent does not reduce the Tenant's obligation to pay or reimburse Landlord for Operating Expenses and other reimbursable items as set forth in the Lease, and Tenant shall reimburse and pay Landlord as set forth in the Lease with respect to such Operating Expenses and other items with respect to the Premises during the First Extension Term, the Second Extension Term, and the Third Extension Term without regard to any cap on such expenses set forth in the Lease.

(h) Arbitration to determine the Fair Market Rent shall be in accordance with the Real Estate Valuation Arbitration Rules of the American Arbitration Association. Unless otherwise required by state law, arbitration shall be conducted in the metropolitan area where the Project is located by a single arbitrator unaffiliated with either party. Either party may elect to arbitrate by sending written notice to the other party and the Regional Office of the American Arbitration Association during the negotiation periods set forth above with respect to the First Extension Term, Second Extension Term, and Third Extension Term, invoking the binding arbitration provisions of this paragraph. Landlord and Tenant shall each submit to the arbitrator their respective proposal of Fair Market Rent. The arbitrator must choose between the Landlord's proposal and the Tenant's proposal and may not compromise between the two or select some other amount. Notwithstanding any other provision herein, the Fair Market Rent determined by the arbitrator shall not be less than, and the arbitrator shall have no authority to determine a Fair Market Rent less than, the Base Rent in effect as of the scheduled expiration of the Lease Term. The cost of the arbitration shall be paid by Tenant if the Fair Market Rent is that proposed by Landlord and by Landlord if the Fair Market Rent is that proposed by Tenant; and shall be borne equally otherwise. If the arbitrator has not determined the Fair Market Rent as of the end of the Lease Term, Tenant shall pay 105 percent of the Base Rent in effect under the Lease as of the end of the Lease Term until the Fair Market Rent is determined as provided herein. Upon such determination, Landlord and Tenant shall make the appropriate adjustments to the payments between them.

(i) Except for the Base Rent as determined above, Tenant's occupancy of the Premises during the First Extension Term, the Second Extension Term, and the Third Extension Term shall be on the same terms and conditions as are in effect immediately prior to the expiration of the initial Lease Term, the First Extension Term, or the Third Extension Term; provided, however, Tenant shall have no further right to any allowances, credits or abatements or any options to expand, contract, renew or extend the Lease.

(j) If Tenant does not give the First Extension Notice within the period set forth in paragraph (a) above, Tenant's right to extend the Lease Term for the First Extension Term, the Second Extension Term, and the Third

Extension Term shall automatically terminate. If Tenant does not give the Second Extension Notice within the period set forth in paragraph (b) above, Tenant's right to extend the Lease Term for the Second Extension Term and the Third Extension Term shall automatically terminate. Time is of the essence as to the giving of the First Extension Notice, the Second Extension Notice, and the Third Extension Notice.

(k) Landlord shall have no obligation to refurbish or otherwise improve the Premises for the First Extension Term, the Second Extension Term, or the Third Extension Term. The Premises shall be tendered on the Commencement Date of the First Extension Term, the Second Extension Term, and the Third Extension Term in "as-is" condition.

(l) If the Lease is extended for either the First Extension Term, Second Extension Term or Third Extension Term, then Landlord shall prepare and Tenant shall execute an amendment to the Lease confirming the extension of the Lease Term and the other provisions applicable thereto (the "Amendment").

(m) If Tenant exercises its right to extend the term of the Lease for the First Extension Term, the Second Extension Term, or the Third Extension Term pursuant to this Exhibit, the term "Lease Term" as used in the Lease, shall be construed to include, when practicable, the First Extension Term or Second Extension Term or Third Extension Term, as applicable, except as provided in (j) above.

EXHIBIT A

SITE PLAN

ATTACHED TO AND A PART OF THE LEASE AGREEMENT
DATED _____, 20__, BETWEEN

Prologis-Exchange 3301 South Norfolk LLC, a Delaware limited liability company ("Landlord")

And

King County, a political subdivision of the State of Washington

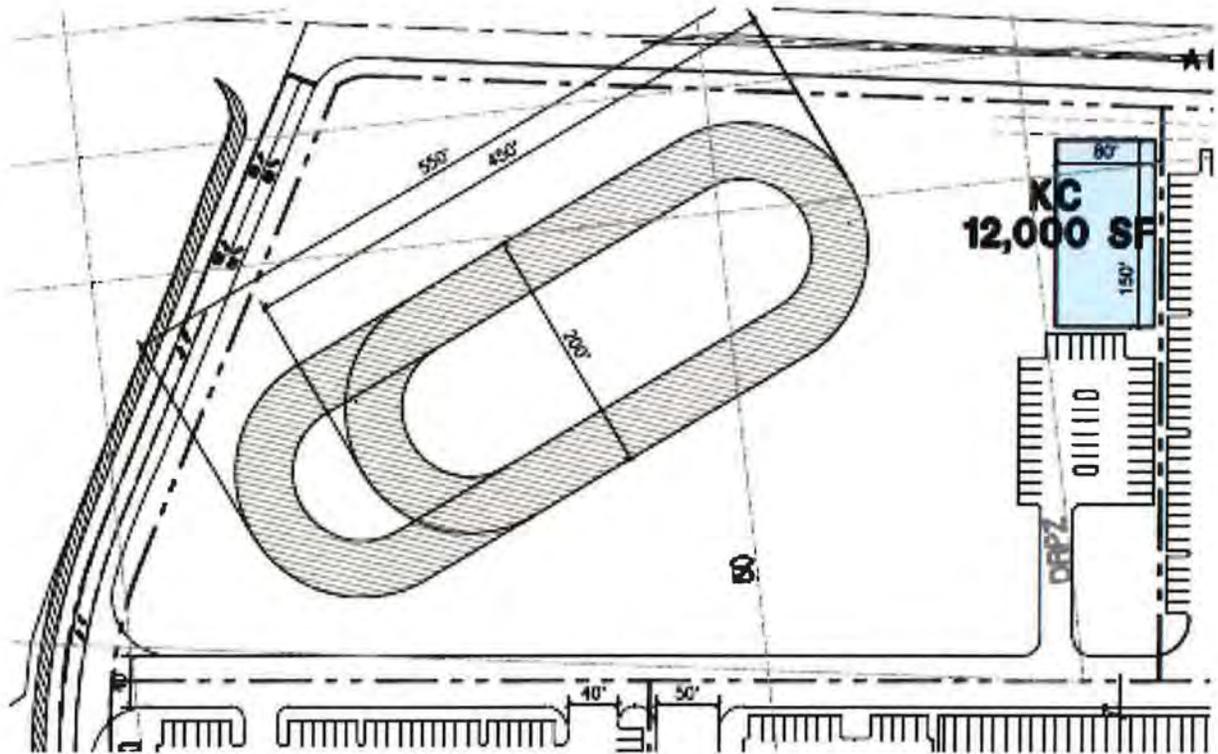


EXHIBIT B

PROJECT RULES AND REGULATIONS

ATTACHED TO AND A PART OF THE LEASE AGREEMENT
DATED _____, 20__, BETWEEN

Prologis-Exchange 3301 South Norfolk LLC, a Delaware limited liability company ("Landlord")

And

King County, a political subdivision of the State of Washington

Rules and Regulations

1. The sidewalk, entries, and driveways of the Project shall not be obstructed by Tenant, or its agents, or used by them for any purpose other than ingress and egress to and from the Premises.
2. Tenant shall not place any objects, including antennas, outdoor furniture, etc., in the parking areas, landscaped areas or other areas outside of its Premises, or on the roof of the Project.
3. Except for seeing-eye dogs and other certified service animals, no animals shall be allowed in the offices, halls, or corridors in the Project.
4. Tenant shall not disturb the occupants of the Project or adjoining buildings by the use of any radio or musical instrument or by the making of loud or improper noises.
5. If Tenant desires telegraphic, telephonic or other electric connections in the Premises, Landlord or its agent will direct the electrician as to where and how the wires may be introduced; and, without such direction, no boring or cutting of wires will be permitted. Any such installation or connection shall be made at Tenant's expense.
6. Tenant shall not install or operate any steam or gas engine or boiler, or other mechanical apparatus in the Premises, except as specifically approved in the Lease. The use of oil, gas or inflammable liquids for heating or lighting is expressly prohibited. Explosives or other articles deemed extra hazardous shall not be brought into the Project.
7. Parking any type of recreational vehicles is specifically prohibited on or about the Project. Further, parking any type of trucks, trailers or other vehicles inside the Building is specifically prohibited. There shall be no "For Sale" or other advertising signs on or about any parked vehicle. All vehicles shall be parked in the designated parking areas in conformity with all signs and other markings.
8. Tenant shall maintain the Premises free from rodents, insects, and other pests.
9. Landlord reserves the right to exclude or expel from the Project 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 the Rules and Regulations of the Project.
10. Tenant shall not cause any unnecessary labor by reason of Tenant's carelessness or indifference in the preservation of good order and cleanliness. Landlord shall not be responsible to Tenant for any loss of property on the Premises, however occurring, or for any damage done to the effects of Tenant by the janitors or any other employee or person.

11. To the extent not otherwise disclosed on the Property Condition Report, Tenant shall give Landlord prompt notice of any defects in the water, sewage, gas pipes, electrical lights and fixtures, heating apparatus, or any other service equipment affecting the Premises.
12. Tenant shall not allow dumping of waste or refuse or permit any harmful materials to be placed in any drainage system or sanitary system in or about the Premises.
13. All moveable trash receptacles provided by the trash disposal firm for the Premises must be kept in the trash enclosure areas, if any, provided for that purpose.
14. No auction, public or private, will be permitted on the Premises or the Project.
15. No awnings shall be placed over the windows in the Premises except with the prior written consent of Landlord.
16. The Premises shall not be used for lodging, sleeping or cooking or for any immoral or illegal purposes or for any purpose other than that specified in the Lease. No gaming devices shall be operated in the Premises.
17. Tenant shall ascertain from Landlord the maximum amount of electrical current, which can safely be used in the Premises, taking into account the capacity of the electrical wiring in the Project and the Premises and the needs of other tenants, and shall not use more than such safe capacity. Landlord's consent to the installation of electric equipment shall not relieve Tenant from the obligation not to use more electricity than such safe capacity.
18. Tenant assumes full responsibility for protecting the Premises from theft, robbery and pilferage.
19. Tenant shall not install or operate on the Premises any machinery or mechanical devices of a nature not directly related to Tenant's ordinary use of the Premises and shall keep all such machinery reasonably free of vibration, noise and air waves which may be transmitted beyond the Premises.
20. Tenant shall not permit smoking in the office areas of the Premises.
21. No racking or storage shall occur within 12-inches of demising walls, office and warehouse separation walls, exterior walls, and columns.

EXHIBIT C

FORM OF COMMENCEMENT DATE CERTIFICATE

ATTACHED TO AND A PART OF THE LEASE AGREEMENT
DATED _____, 20__, BETWEEN

Prologis-Exchange 3301 South Norfolk LLC, a Delaware limited liability company ("Landlord")

And

King County, a political subdivision of the State of Washington

COMMENCEMENT DATE CERTIFICATE

_____, 201__

TO BE FILED OUT AND SIGNED UPON COMMENCEMENT DATE

Notice Contact Name
Company Name
Notice Street Address
City, State Zip Code

RE: Lease dated Date between Customer & Owner for Premises Address

Dear Salutation Notice Contact Last Name:

Welcome to your new facility. We would like to confirm the terms of the above referenced lease agreement:

Lease Commencement Date: Date
Lease Expiration Date: Date
Rental Commencement Date: Date

We are pleased to welcome you as a customer of Prologis and look forward to working with you. Please indicate your agreement with the above dates of your lease by signing and returning the enclosed copy of this letter to me. If I can be of service, please do not hesitate to contact me.

Sincerely,

Property Manager Name
Title

Accepted by: Accepted by

Date: Date

By: _____

Printed: _____

Title: _____

EXHIBIT D

LEGAL DESCRIPTION OF PROJECT

ATTACHED TO AND A PART OF THE LEASE AGREEMENT
DATED _____, 20__, BETWEEN

Prologis-Exchange 3301 South Norfolk LLC, a Delaware limited liability company("Landlord")

And

King County, a political subdivision of the State of Washington

EXHIBIT E

PURCHASE OPTION RIDER
TO
LEASE AGREEMENT

This Purchase Option Rider to Lease Agreement (this "**Rider**") is attached to, supplements, and is made a part of that certain Lease Agreement dated as of _____, 20__ (the "**Lease**"), by and between PROLOGIS-EXCHANGE 3301 SOUTH NORFOLK LLC, a Delaware limited liability company ("**Landlord**"), and KING COUNTY, a political subdivision of the State of Washington ("**Tenant**"). All initially-capitalized terms not defined herein, shall have the same meanings as set forth in the Lease, unless the context clearly indicates otherwise.

1. **Grant of Purchase Option.** Provided that (a) Tenant is the Tenant originally named herein, and (b) no Event of Default, nor event which, but for the passage of time or the giving of notice, or both, would constitute an Event of Default, under the Lease has occurred and is continuing, then subject to and in accordance with the terms of this Rider, Tenant shall have the one-time right and option (the "**Purchase Option**") to purchase the Premises, as legally described in the form Option Purchase Agreement (hereinafter defined) (the "**Property**") as provided herein. The Purchase Option is not assignable except as expressly provided in the Lease, and shall terminate automatically upon any termination of the Lease other than as a result of default by Landlord.

2. **Exercise of the Purchase Option.** Tenant shall exercise the Purchase Option (the "**Purchase Option Exercise**") by delivering written notice to Landlord of the Purchase Option Exercise no sooner than twelve (12) months, and no later than nine (9) months, prior to the last day of the Lease Term (the "**Option Period**"). Tenant's Purchase Option Exercise is irrevocable, except as expressly provided herein. Time is of the essence with respect to Tenant's Purchase Option Exercise. If Tenant declines to exercise the Purchase Option in strict accordance with the terms of this Rider, prior to the expiration of the Option Period, or defaults under the Option Purchase Agreement, Tenant shall be deemed to have irrevocably waived all further rights to acquire the Property, under this Rider and the Lease, and Landlord shall be free to sell the Property to any other party(s), including on terms which may be more or less favorable to Landlord than those terms set forth herein.

3. **Purchase Price.** The "**Purchase Price**" for the Property shall be its Market Value as of the date of the Purchase Option Exercise. For purposes hereof, the term "**Market Value**" shall mean the fair market value, as initially determined by Landlord, for a third party unaffiliated sale of land and buildings comparable in size, location, degree of improvements and conditions as the Premises (without consideration of the fact that the Premises is subject to this Lease). The Market Value shall be reasonably determined by taking into consideration comparable fact situations (e.g. which in the absence of recent comparable sales, may include market information regarding appropriate adjustments due to material differences from recent actual sales) in the geographic area enclosed in the following boundaries: north of Boeing Access Road, south of South Royal Brougham Way, East of Duwamish River, and West of I-5, and shall take into account all leasehold improvements and Tenant-Made Alterations. Notwithstanding any other provision herein, the Market Value shall not be less than, and if arbitration is elected as set forth below the arbitrator shall have no authority to determine a Market Value less than, the amount equal to the annualized Base Rent for the Property in effect during the last month of the Lease Term (such annualized amount being determined by multiplying the last month's Base Rent for the Property by twelve) divided by a five percent (5.0%) capitalization rate. If Tenant should disagree with Landlord's assessment of Market Value, and if Landlord and Tenant are unable to resolve such dispute within thirty (30) days (the "**Negotiation Period**") after Landlord's delivery to Tenant of such determination and reasonable supporting documentation thereof, then either Landlord or Tenant shall have the right to require that Market Value be determined by arbitration as set forth below, in which event such determination shall be final and binding with respect to the Purchase Price.

If either party elects that Market Value be determined by arbitration, then such arbitration shall be in accordance with the Real Estate Valuation Arbitration Rules of the American Arbitration Association. Unless otherwise required by state law, arbitration shall be conducted in the metropolitan area where the Project is located by a single arbitrator unaffiliated with either party. Either party may elect to arbitrate by sending written notice invoking the binding arbitration provisions of this Paragraph 3, and requesting that an unaffiliated arbitrator be appointed by the Regional Office of the American Arbitration Association with such notice being sent to both the Regional Office

of the American Arbitration Association and the other party within 5 business days after the end of the Negotiation Period. Landlord and Tenant shall each timely submit to the arbitrator their respective proposals of Market Value, with each including such information on comparable sales and such other evidence as such party shall deem relevant. The arbitrator must be appointed by the Regional Office of the American Arbitration Association within fourteen (14) days after receiving notice from the party requesting arbitration and within thirty (30) days after submission of the parties' proposals, shall choose between the Landlord's proposal and the Tenant's proposal and may not compromise between the two or select some other amount. Each party shall pay the fees and expenses of its counsel and witnesses and shall share equally the fees of the arbitrator.

The parties shall have until the close of business on the fifth (5th) business day following the later to occur of (i) the last day of the Negotiation Period, and (ii) the entry of the arbitration award with the final determination of the Market Value (which shall be the Purchase Price) to fully execute the Option Purchase and Sale Agreement, the initial draft of which may be in substantially the same form as attached as Exhibit A to this Rider. (the "**Option Purchase Agreement**"). In the event that the parties, each acting in good faith, do not fully execute the Option Purchase Agreement by the expiration of such 5-business day period, then the Purchase Option shall expire and be of no further force or effect. Terms pertaining to payment of the Purchase Price and prorations at closing shall be set forth in the Option Purchase Agreement.

The intent of the parties is that the Purchase Price shall be absolutely net to Landlord (the sole exception that Landlord shall pay its own attorneys' fees), and Tenant shall pay all other costs of closing. There shall be no proration of taxes or other expenses at closing, except as expressly set forth in the Option Purchase Agreement.

4. Closing. The closing shall be conducted through an escrow established at a title company selected by Landlord (the "**Title Company**"). All deliveries shall be deposited in escrow with the Title Company, and all closing deliveries and disbursements shall be made through the escrow. The closing shall occur as specified in the Option Purchase Agreement, and, in the event closing fails to occur as provided thereunder (other than due to a willful default by Landlord), Tenant's Purchase Option shall be null and void and of no further force or effect.

5. Lease Termination. The Lease shall be terminated as of the closing. All rent and other payments due by Tenant to Landlord under the Lease shall be prorated to the date of closing and deposited into the escrow and disbursed to Landlord at closing. Tenant shall pay termination costs for any service contracts not assumed by Tenant upon closing. .

6. Brokers. In the event of any claim for broker fees or commissions in connection with the Option Purchase Agreement, each party shall indemnify and hold harmless the other party from and against any such claim based upon any statement, representation, or agreement of such party.

7. Financing Waiver. Notwithstanding anything contained herein to the contrary, Tenant agrees and understands that Tenant's Purchase Option shall automatically be deemed null and void and of no further force or effect following any transfer of the Property to a mortgage holder or lien holder as a result of a foreclosure or deed-in-lieu of foreclosure with regard to the Property.

EXHIBIT A TO PURCHASE OPTION RIDER

OPTION PURCHASE AND SALE AGREEMENT

1. Basic Terms.

- (a) Effective Date: The latest date of execution by the Seller or the Buyer (as such terms are defined on the signature page).
- (b) Purchase Price: [TO BE DETERMINED PRIOR TO EXECUTION IN ACCORDANCE WITH THE PROCEDURE SET FORTH IN THE PURCHASE OPTION ADDENDUM] \$_____.
- (c) Deposit: 5% of the Purchase Price, which shall be deposited by Buyer with the Title Company (as such term is defined on the signature page) within 3 business days after the Effective Date.
- (d) Closing Date: As agreed between Buyer and Seller, but not later than 65 days after the Effective Date.
- (e) Due Diligence Period: The period ending 60 days after the Effective Date.

2. Property. Subject to the terms of this Option Purchase and Sale Agreement (this "Agreement"), Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller the land described on Exhibit A attached hereto, together with; (a) all improvements thereon, and (b) all rights, benefits, privileges, easements, tenements, hereditaments and appurtenances thereto (collectively, the "Property"). Buyer is currently the lessee of the Property, pursuant to that certain Lease Agreement, between Buyer and Seller, dated _____, 20____ (the "Lease").

3. **IF THERE IS A DD PERIOD: Due Diligence.** Within 5 business days after the Effective Date, Seller shall provide to Buyer the most recent versions of the following relating to the Property, to the extent in Seller's possession (collectively, the "Property Information"): (a) environmental reports; (b) surveys; (c) soils and engineering reports; and (d) any agreements with any third party service providers, with respect to the use or maintenance of the Property ("Service Contracts"). Seller makes to representation or warranty whatsoever, as to the accuracy or completeness of the Property Information. During the pendency of this Agreement, Buyer may examine, inspect, and investigate the Property (including conducting surveys, engineering, geotechnical, environmental, and any other inspections, studies and tests (expressly excluding invasive inspection and sampling) it may deem necessary or advisable), to determine whether the Property is acceptable to Buyer, in Buyer's sole and absolute judgment and discretion. Buyer may terminate this Agreement for any reason, or for no reason, by giving notice of termination to Seller (the "Due Diligence Termination Notice") on or before the last day of the Due Diligence Period. If Buyer does not give the Due Diligence Termination Notice on or before the end of the Due Diligence Period, this Agreement shall continue in full force and effect. If this Agreement terminates pursuant to this Section 3, (a) the Deposit shall be refunded to Buyer immediately upon request, (b) the Lease shall continue in full force and effect, and (c) all further rights and obligations of the parties under this Agreement shall terminate. Buyer shall keep the Property free and clear of any liens, and will indemnify, defend and hold Seller harmless from all claims and liabilities asserted against Seller as a result of any inspections or investigations by Buyer, its agents, employees, or representatives. If any inspection or test conducted by or on Buyer's behalf disturbs the Property, Buyer will restore the Property to the same condition as existed prior to any

such inspection or test. The obligations of the Buyer under this Section shall survive the termination of this Agreement.

4. Service Contracts. At Closing, Seller shall assign, and Buyer shall assume, all Service Contracts with regard to the Property, excluding those that are part of a portfolio agreement, or applicable to multiple properties of Seller and/or its affiliates, which may not be assumed.

5. Buyer's Reliance on its Investigations and Release. AS A MATERIAL PART OF THE CONSIDERATION FOR THIS AGREEMENT, SELLER AND BUYER AGREE THAT BUYER IS FAMILIAR WITH THE PROPERTY, AND IS TAKING THE PROPERTY "AS IS" WITH ANY AND ALL LATENT AND PATENT DEFECTS, AND THAT THERE IS NO WARRANTY BY SELLER THAT THE PROPERTY IS FIT FOR A PARTICULAR PURPOSE. BUYER ACKNOWLEDGES THAT IT OCCUPIES THE REAL PROPERTY AND, EXCEPT AS EXPRESSLY PROVIDED HEREIN, IT IS NOT RELYING UPON ANY REPRESENTATION, STATEMENT OR OTHER ASSERTION WITH RESPECT TO THE PROPERTY CONDITION, BUT IS RELYING UPON THE BUYER'S EXAMINATION AND KNOWLEDGE OF THE PROPERTY. BUYER TAKES THE PROPERTY UNDER THE EXPRESS UNDERSTANDING THAT, EXCEPT AS EXPRESSLY PROVIDED HEREIN, THERE ARE NO EXPRESS OR IMPLIED WARRANTIES, AND, WITHOUT LIMITING THE FOREGOING, ANY AND ALL CONDITIONS OR WARRANTIES EXPRESSED OR IMPLIED PURSUANT TO LAW WILL NOT APPLY, AND ARE WAIVED BY THE BUYER. THE PROVISIONS OF THIS SECTION 5 SHALL SURVIVE INDEFINITELY THE CLOSING OR TERMINATION OF THIS AGREEMENT, AND SHALL NOT BE MERGED INTO THE CLOSING DOCUMENTS.

Buyer's Initials: _____

BUYER, FOR ITSELF AND ANY ENTITY AFFILIATED WITH BUYER, INCLUDING ITS SUCCESSORS AND ASSIGNS, WAIVES AND RELEASES SELLER, AND ITS AFFILIATES, EMPLOYEES, AGENTS, OFFICERS, TRUSTEES, DIRECTORS AND SHAREHOLDERS FROM AND AGAINST ANY CLAIMS, DEMANDS, PENALTIES, FINES, LIABILITIES, SETTLEMENTS, DAMAGES, COSTS, LOSSES, OR EXPENSES OF WHATEVER KIND OR NATURE, KNOWN OR UNKNOWN, EXISTING AND FUTURE, CONTINGENT OR OTHERWISE (INCLUDING ANY ACTION OR PROCEEDING, BROUGHT OR THREATENED, OR ORDERED BY ANY APPROPRIATE GOVERNMENTAL ENTITY) MADE, INCURRED, OR SUFFERED BY BUYER OR ANY ENTITY AFFILIATED WITH BUYER, OR THEIR SUCCESSORS OR ASSIGNS, RELATING TO THE PROPERTY, INCLUDING WITHOUT LIMITATION, THE PRESENCE, MISUSE, USE, DISPOSAL, RELEASE OR THREATENED RELEASE OF ANY HAZARDOUS OR TOXIC MATERIALS, CHEMICALS OR WASTES AT THE REAL PROPERTY, AND ANY LIABILITY OR CLAIM RELATED TO THE PROPERTY ARISING UNDER APPLICABLE ENVIRONMENTAL LAWS. THE PROVISIONS OF THIS PARAGRAPH SHALL SURVIVE INDEFINITELY ANY CLOSING OR TERMINATION OF THIS AGREEMENT, AND SHALL NOT BE MERGED INTO THE CLOSING DOCUMENTS.

Buyer's Initials: _____

6. Title. Buyer may elect to acquire a title commitment with regard to the Property (the "Title Commitment"), and/or a title insurance policy with regard to the Property at Closing (a "Title Policy"), either of which shall be issued by the Title Company, all at Buyer's sole cost and expense, but neither shall be a condition of Buyer's obligation to close hereunder. At Closing, Seller shall convey to Buyer fee simple title to the Property, by special warranty deed (warranting title by, under or through Seller, but not otherwise), subject to all matters of record, and those matters which a correct survey or inspection of the Property would show (the "Permitted Exceptions"), but free and clear of any liens or any other exceptions created by, under, or through Seller (other than liens created by Buyer under the Lease). Buyer shall have the absolute right to terminate this Agreement during the Due Diligence Period, pursuant to Section 3 above, if it is not satisfied with title to the Property.

7. Condemnation; Casualty. If any condemnation is instituted or threatened against the Property, or the Property is damaged, the provisions of the Lease shall remain in full force and effect, and shall control the rights and obligations of the parties thereunder. At Closing, Buyer shall pay the Purchase Price in full, and Seller shall (a) pay to Buyer (i) any insurance proceeds and/or condemnation awards theretofore paid to Seller, with respect to such casualty or condemnation, and (ii) in the event of a casualty, the amount of any unpaid deductible under the property insurance policy for the Property, and (b) assign to Buyer all unpaid insurance proceeds and/or condemnation awards relating to the Property, with respect to such casualty or condemnation.

8. Closing. The consummation of the transaction contemplated herein (the "Closing") shall occur through an escrow with both parties delivering to the Title Company all closing deliverables on or before the Closing Date. The Lease shall be terminated effective as of the Closing Date; provided, however, those obligations of Buyer under the Lease, which expressly survive termination, shall continue in full force and effect.

9. Seller's Deliveries in Escrow. On or before the Closing Date, Seller shall deliver to Title Company the following: (a) a special warranty deed in the form provided for under the law of the state where the Property is located, executed and acknowledged by Seller, subject to the Permitted Exceptions (the "Deed"); (b) such assignments as Buyer and Seller may reasonably agree in order for Seller to fully and completely transfer and assign (without warranty, indemnity, or other surviving obligations) to Buyer all of its right, title, and interest, in and to the Property; (c) such disclosures and reports as are required by applicable state and local law in connection with the conveyance of real property; (d) a foreign Investment in Real Property Tax Act affidavit executed by Seller; and (e) any additional documents, reasonably acceptable to Seller, that the Title Company requires for the proper consummation of the transaction contemplated by this Agreement.

10. Buyer's Deliveries in Escrow. On or before the Closing Date, Buyer shall deliver in escrow to the Title Company the following: (a) the Purchase Price, less the Deposit that is applied to the Purchase Price, plus or minus applicable prorations (which must be delivered prior to 11:00 a.m. local time at the Title Company's designated office); (b) such disclosures and reports as are required by applicable state and local law in connection with the acquisition of real property; and (c) any additional documents, reasonably acceptable to Buyer, that the Title Company requires for the proper consummation of the transaction contemplated by this Agreement.

11. Prorations. There shall be no proration of taxes or other expenses at Closing. All rent and other payments due by Buyer to Seller under the Lease, or due by Seller to Buyer under the Lease, shall be prorated to the Closing Date, and shall be re-prorated upon issuance of the final bills and accounting pursuant to the terms in the Lease, if applicable. The obligations under this Section 11 shall survive Closing.

12. Commissions. Seller and Buyer represent and warrant each to the other that they have not dealt with any real estate broker, sales person or finder in connection with this transaction. In the event of any claim for broker's or finder's fees or commissions in connection with the negotiation, execution or consummation of this Agreement or the transactions contemplated hereby, each party shall indemnify and hold harmless the other party from and against any such claim based upon any statement, representation or agreement of such party. The obligations under this Section 12 shall survive Closing.

13. Closing Costs. Buyer shall pay the cost of any Title Policy, the cost of recording the Deed, and any other documents it requests be recorded at Closing. Each party shall pay its own attorneys' fees. Buyer shall pay the cost of any transfer taxes.

14. Seller's Representations and Warranties. Seller represents and warrants to Buyer, as of the Effective Date, and as of the Closing Date, that:

(a) Organization and Authority. Seller has been duly organized, is validly existing, and is in good standing in the state of its formation, and is qualified to do business in the state where the Property is located. Seller has the full right and authority and has obtained any and all consents required to enter into this Agreement and to consummate or cause to be consummated the transactions contemplated hereby. This Agreement has been, and all of the documents to be delivered by Seller at the Closing will be, authorized and properly executed and constitutes, or will constitute, as appropriate, the valid and binding obligation of Seller, enforceable in accordance with their terms.

(b) OFAC Compliance. Seller is currently in compliance with and shall at all times during the term of this Agreement remain in compliance with the regulations of the Office of Foreign Assets Control ("OFAC") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) and any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action relating thereto.

15. Buyer's Representations and Warranties. Buyer represents and warrants to Seller, as of the Effective Date, and as of the Closing Date, that:

(a) Organization and Authority. Buyer has been duly organized and is validly existing in the state of its formation, and is or will be qualified to do business in the state in which the Real Property is located on the Closing Date. Buyer has the full right and authority and has obtained any and all consents required to enter into this Agreement and to consummate or cause to be consummated the transactions contemplated hereby. This Agreement has been, and all of the documents to be delivered by Buyer at the Closing will be, authorized and properly executed and constitutes, or will constitute, as appropriate, the valid and binding obligation of Buyer, enforceable in accordance with their terms.

(b) OFAC Compliance. Buyer is currently in compliance with and shall at all times during the term of this Agreement remain in compliance with the regulations of the OFAC (including those named on OFAC's Specially Designated and Blocked Persons List) and any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action relating thereto.

16. Seller's Default. If this transaction fails to close as a result of Seller's default, Buyer's sole remedy shall be to elect one of the following: (a) to terminate this Agreement, in which event Buyer shall be entitled to the return by the Title Company to Buyer of the Deposit, or (b) to bring a suit for specific performance.

17. Buyer's Default. **THE PARTIES HAVE AGREED THAT SELLER'S ACTUAL DAMAGES IN THE EVENT OF A FAILURE TO CONSUMMATE THE SALE DUE TO BUYER'S DEFAULT WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. AFTER NEGOTIATION, THE PARTIES HAVE AGREED THAT, CONSIDERING ALL THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS AGREEMENT, THE AMOUNT OF THE DEPOSIT IS A REASONABLE ESTIMATE OF THE DAMAGES THAT SELLER WOULD INCUR IN THE EVENT OF BUYER'S DEFAULT. IN THE EVENT BUYER FAILS, WITHOUT LEGAL EXCUSE, TO COMPLETE THE PURCHASE OF THE PROPERTY, (A) THE DEPOSIT SHALL BE FORFEITED TO SELLER AS LIQUIDATED DAMAGES AND THE SOLE AND EXCLUSIVE REMEDY, IN LAW AND IN EQUITY, AVAILABLE TO SELLER FOR SUCH FAILURE, AND (B) THE LEASE SHALL CONTINUE IN FULL**

FORCE AND EFFECT. BY PLACING THEIR INITIALS BELOW, EACH PARTY SPECIFICALLY CONFIRMS THE ACCURACY OF THE STATEMENTS MADE ABOVE AND THE FACT THAT EACH PARTY WAS REPRESENTED BY COUNSEL WHO EXPLAINED, AT THE TIME THIS AGREEMENT WAS MADE, THE CONSEQUENCES OF THIS LIQUIDATED DAMAGES PROVISION.

Initials:

Seller

Buyer

18. Miscellaneous.

(a) Parties Bound. Either party may assign this Agreement to effectuate a 1031 exchange, but not otherwise without the prior written consent of the other party in its sole and absolute discretion. This Agreement shall remain binding upon Seller and Buyer, but shall also inure to the benefit of their respective legal representatives, successors, and assigns.

(b) Invalidity and Waiver. If any portion of this Agreement is held invalid, then so far as is reasonable and possible, the remainder of this Agreement shall be deemed valid, and effect shall be given to the intent manifested by the portion held invalid. The failure by either party to enforce against the other any term or provision of this Agreement, shall not be deemed to be a waiver of such party's right to enforce against the other party the same or any other such term or provision in the future.

(c) Governing Law. This Agreement shall be governed in accordance with the laws of the state in which the Property is located.

(d) Entirety. This Agreement, together with the exhibits and schedules attached hereto, embody the entire agreement between the parties and supersedes all prior agreements and understandings relating to the Property, other than the Lease.

(e) Time. Time is of the essence in the performance of this Agreement.

(f) Confidentiality. Buyer shall make no public announcement or disclosure of any of the specific terms or conditions related to this Agreement to outside brokers or third parties, before or after the Closing, other than the fact that it has acquired the Property, without the prior written specific consent of Seller; provided, however, that Buyer may make disclosure of this Agreement to its lenders, creditors, officers, members, employees, lawyers, accountants, qualified intermediaries, and agents, as necessary to perform its obligations hereunder.

(g) Attorneys' Fees. Should either party employ attorneys to enforce any of the provisions hereof, the party against whom any final judgment is entered agrees to pay the prevailing party all reasonable costs, charges and expenses, including attorneys' fees, expended or incurred in connection therewith. This Section shall survive indefinitely the Closing, close of escrow and recordation of the Deed, and shall not be deemed merged into any of the Closing documents, or the termination of this Agreement.

(h) Notices. All notices required or permitted hereunder shall be in writing and shall be served on the parties at the addresses set forth on the signature page. Any such notices shall be either (i) sent by overnight delivery using a nationally recognized overnight courier, in which case notice shall be deemed delivered one business day after deposit with such courier, (ii) sent by email, in which case notice shall be deemed delivered upon a successfully completed transmission of such email notice, or (iii) sent by personal delivery, in which case notice shall be deemed delivered upon receipt. A party's address may be changed by written notice to the other party.

(i) Construction. The parties acknowledge that the parties and their counsel have reviewed and revised this Agreement and agree that the normal rule of construction, to the effect that any ambiguities are to be resolved against the drafting party, shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

(j) Calculation of Time Periods. Unless otherwise specified, in computing any period of time described herein, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday for national banks in the location where the Property is located, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday. The last day of any period of time described herein shall be deemed to end at 5:00 p.m. where the Property is located.

(k) Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of such counterparts shall constitute one Agreement. The parties may execute and exchange by email in PDF format counterparts of the signature pages, which shall be deemed an original.

(l) Jury Trial Waiver. TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES HEREBY AGREE TO WAIVE ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY ACTION OR PROCEEDING BROUGHT BY EITHER PARTY OR ANY OTHER PARTY, RELATING TO (I) THIS AGREEMENT AND/OR ANY UNDERSTANDINGS OR PRIOR DEALINGS BETWEEN THE PARTIES HERETO, OR (II) THE PROPERTY OR ANY PART THEREOF. THE PARTIES HEREBY ACKNOWLEDGE AND AGREE THAT THIS AGREEMENT CONSTITUTES A WRITTEN CONSENT TO WAIVER OF TRIAL BY JURY PURSUANT TO ANY APPLICABLE STATE STATUTES.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

SIGNATURE PAGE TO
PURCHASE AND SALE AGREEMENT

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates
set forth below.

"Seller":

Prologis-Exchange 3301 South Norfolk LLC, a
Delaware limited liability company

By: _____
Name: _____
Title: _____
Dated: _____, 20__
Attn: _____

Telephone: _____
Email: _____

"Buyer":

King County, a political subdivision of the State of
Washington

By: _____
Name: _____
Title: _____
Dated: _____, 20__
Attn: _____

Telephone: _____
Email: _____

"Title Company":

By: _____
Name: _____
Title: _____
Dated: _____, 20__
Attn: _____

Telephone: _____
Email: _____

EXHIBIT A TO REAL ESTATE PURCHASE AND SALE AGREEMENT

LEGAL DESCRIPTION

EXHIBIT F

INTENTIONALLY OMITTED

EXHIBIT G

FORM OF MEMORANDUM OF LEASE

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

1. This Memorandum Of Lease (this "Memorandum") is made and entered into as of _____ by and between Prologis-Exchange 3301 South Norfolk LLC, a Delaware limited liability company ("Landlord") and King County, a political subdivision of the State of Washington ("Tenant"), with reference to the following facts:

2. Landlord and Tenant are the landlord and tenant, respectively, under that certain Lease dated as of _____ (the "Lease"), relating to certain real property located in the City of Tukwila, County of King, State of Washington, more particularly described in Exhibit "A" attached hereto (the "Property").

3. Pursuant to Exhibit E of the Lease, Landlord has granted to Tenant the option to purchase (the "Purchase Option").

4. Landlord and Tenant desire to have this Memorandum recorded in the Official Records of King County in order to put interested parties on notice of the Lease and Purchase Option.

5. Now, Therefore, the parties hereto hereby agree as follows:

6. Lease of the Property. Landlord hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from Landlord for a term of one hundred forty-four (144) months, commencing on _____ (subject to extension as set forth in the Lease), and terminating one hundred forty-four months thereafter, all subject to and on terms and conditions more fully set forth in the Lease. The Lease is incorporated herein by this reference.

7. Purchase Option. Landlord has granted, and hereby grants, to Tenant the Purchase Option described in Exhibit E of the Lease, for the price, and on the terms and conditions contained in the

Lease, the terms and conditions of which are incorporated herein by this reference in their entirety. The Purchase Option must be exercised on or before the certain alternative dates specified in the Lease, but in no event later than _____.

8. Information. Any party who is interested in acquiring an interest in the Property should contact the Landlord and the Tenant.

In Witness Whereof, the parties hereto have executed this Memorandum on the day and year first above written.

Landlord:

Prologis-Exchange 3301 South Norfolk LLC a Delaware Limited Liability Company

Dated:

By:

Tenant:

King County, a political subdivision of the State of Washington

Dated:

By:

Name:

Its:

[NOTARY BLOCKS ON FOLLOWING PAGE]

STATE OF _____

COUNTY OF _____

Before me, the subscribers, a notary public in and for said county, personally appeared _____, the _____ of _____, the Tenant in the foregoing instrument, who acknowledged the signing of the foregoing instrument to be his/her free act and deed on behalf of the Tenant for the uses and purposes set forth therein.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed my official seal on the _____ day of _____, 20____.

NOTARY PUBLIC, STATE OF _____

STATE OF _____

COUNTY OF _____

Before me, the subscribers, a notary public in and for said county, personally appeared _____, the _____ of _____, the Tenant in the foregoing instrument, who acknowledged the signing of the foregoing instrument to be his/her free act and deed on behalf of the Tenant for the uses and purposes set forth therein.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed my official seal on the _____ day of _____, 20____.

NOTARY PUBLIC, STATE OF _____

EXHIBIT H

**FORM OF TERMINATION OF
MEMORANDUM OF LEASE**

THIS TERMINATION OF MEMORANDUM OF LEASE, dated as of the _____ day of _____, 20____ (this "Termination") by and between Prologis-Exchange 3301 South Norfolk LLC, a Delaware limited liability company ("Landlord") and King County, a political subdivision of the State of Washington ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Tenant are parties to a certain Lease, dated _____, 2020 ("Lease") pursuant to which Landlord leased to Tenant certain real property located in the City of Tukwila, County of King, State of Washington, more particularly described in Exhibit "A" attached hereto (the "Property"); and

WHEREAS, consistent with RCW 65.08.070, the parties recorded a memorandum of lease (the "Memorandum") summarizing certain provisions, covenants and conditions set forth in the Lease;

NOW, THEREFORE, Landlord and Tenant declare as follows:

1. Memorandum of Lease. The Memorandum was recorded in the King County Recorder's Office under instrument no. _____.
2. Termination of Lease. The Lease has terminated and is of no further force and effect.
3. Termination of Memorandum of Lease. In connection with the termination of the Lease, the Memorandum is of no further force and effect and the parties hereto wish to terminate the Memorandum pursuant to the recordation of this Termination.

In Witness Whereof, the parties hereto have executed this Memorandum on the day and year first above written.

Landlord:

Prologis-Exchange 3301 South Norfolk LLC a Delaware Limited Liability Company

Dated:

By:

Tenant:

King County, a political subdivision of the State of Washington

Dated:

By:

Name:

Its:

STATE OF _____
COUNTY OF _____

Before me, the subscribers, a notary public in and for said county, personally appeared _____, the _____ of _____, the Tenant in the foregoing instrument, who acknowledged the signing of the foregoing instrument to be his/her free act and deed on behalf of the Tenant for the uses and purposes set forth therein.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed my official seal on the _____ day of _____, 20____.

NOTARY PUBLIC, STATE OF

STATE OF _____
COUNTY OF _____

Before me, the subscribers, a notary public in and for said county, personally appeared _____, the _____ of _____, the Tenant in the foregoing instrument, who acknowledged the signing of the foregoing instrument to be his/her free act and deed on behalf of the Tenant for the uses and purposes set forth therein.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed my official seal on the _____ day of _____, 20____.

NOTARY PUBLIC, STATE OF

EXHIBIT I

Move Out Conditions

Tenant shall surrender the Premises in the same condition as received, ordinary wear and tear, casualty loss, and condemnation excepted.

Before surrendering the Premises, Tenant shall remove all personal property, trade fixtures, and such alterations or additions to the Premises made by Tenant as may be required herein. The following list is designed to assist Tenant with the move-out procedures but is not intended to be all inclusive. Upon Tenant's completion of its surrender obligations as provided in this Lease, please contact Landlord's property manager to coordinate turning in keys, utility and fiberoptic internet changeover, and scheduling an inspection of the Premises. In the event Tenant fails to arrange a joint inspection of the Premises with Landlord upon Tenant's vacating of the Premises, Landlord's inspection at, or subsequent to, Tenant's vacation of the Premises shall be conclusively deemed correct for the purpose of determining Tenant's responsibilities with respect to the repair and restoration of the Premises.

1. Lights: All interior office, emergency and exit lights will be fully operational with all bulbs, ballasts, and fixtures functioning.

2. Tenant-Installed Equipment and Wiring: Air lines, conveyor or process electrical distribution, junction boxes, conduit, etc., removed and space returned to the original condition when leased.

3. Walls: Sheetrock (drywall) and/ or plywood damage patched and fire-taped so that there are no holes in office or walls. Any damage to perimeter concrete or metal walls similarly repaired.

4. Floor Finishes (Carpet and Tile): Carpet and vinyl or ceramic tiles should be in a clean condition and absent any holes or chips, ordinary wear and tear excepted provided they have been maintained.

5. Roof: Any Tenant-installed equipment must be removed with all roof penetrations properly repaired by a licensed roofing contractor approved by Landlord. Leaks arising from any Tenant-installed equipment or roof penetrations must be fixed in accordance with Landlord's maintenance and repair recommendations.

6. Signs: All exterior signs must be removed with holes patched and painted to match Building standard paint as necessary. All window or other interior signs must be removed.

7. Electrical & Plumbing: All electrical and plumbing equipment to be returned in good working condition conforming to code.

8. Overall Cleanliness: Clean windows, sanitize bathroom(s), vacuum carpet, and remove all trash and debris from office and warehouse. Remove all pallets and debris from exterior of Premises. All trade fixtures, dumpsters, racking, vending machines and other personal property to be removed.

9. Odors: Remove any lingering odor which may exist in the Premises resulting from Tenant's use and occupancy prior to surrendering or vacating the Premises.

10. Heating and Air Conditioning Systems: The heating/air conditioning systems and warehouse heaters and exhaust fans should be in good working order, including the necessary replacement of any parts to return to a well maintained condition. Upon move out, Landlord may have an exit inspection performed by a certified mechanical contractor to determine the condition.