BUILDING TRIPLE NET LEASE

THIS LEASE, dated ______, is by and between Kaufman Holdings, Inc., a Washington Corporation hereinafter called "Landlord", and City of Tumwater a Washington municipal corporation, hereinafter called "Tenant".

1. NONSTANDARD PROVISIONS

The following entries constitute the nonstandard provisions of this lease and are referred to elsewhere herein:

- (a) Building Name: 821 Airport Court & 809 Airport Court SW
- (b) Approximate floor area of Premises: 6,000 Square feet
- (c) The term of this lease shall be Three (3) years and shall commence on April 1, 2025, and end on March 31, 2028, inclusive.
- (d) Monthly Base Rent shall be: Six Thousand Six Hundred Dollars (\$6,600.00). Monthly estimated Triple Net (NNN) is: One Thousand Seven Hundred Five Dollars and 34/ 100 (\$1,705.34). First month's Base Rent and estimated NNN shall be due at lease execution. Payments for any partial month at the beginning or end of the Lease shall be prorated.
- (f) Washing of commercial or personal vehicles on site is prohibited.
- (g) The following Exhibits are made a part of this Lease:
 - □ Exhibit "A" Floor Plan
 - □ Exhibit "B" Site Plan
 - □ Exhibit "C" Estimated NNN Charges
 - □ Exhibit "D" Rules and Regulations
 - Exhibit "E" First Addendum

2. <u>PREMISES</u>. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, upon the terms and conditions hereinafter set forth, those certain premises, described in Section 1 (a) and (b) and shown outlined on the standard floor plan attached hereto marked Exhibit "A" and site plan marked as Exhibit "B" and made a part hereof, in that certain Building to be known 821 Airport Court and 809 Airport Court situated in the City of Tumwater, County of Thurston, State of Washington, located at 821 Airport Court SE and 809 Airport Court, hereinafter referred to as the "Building" and located on the following real property:

PARCEL NO. 57190000800 821 SE AIRPORT COURT

Lot 9 of that part of the East one-half of Section 11, Township 17 North, Range 2 West, Willamette Meridian described as follows:

Beginning at the Southwest corner of SS #0665 as shown and recorded in Volume 6, Page 692; thence North 50° 51' 00" East along the South line of said SS 51.00 feet; thence South 39° 09' 00"

East 595.44 feet; thence South 46° 15' 00" West 394.14 feet to the Southeast corner of the Southwest one-quarter of the Northeast one-quarter of said Section 11; thence North 35° 54' 33" West along the Easterly Boundary of SS #1944 as shown and recorded in Volume 20, Page 113 316.5 feet to the Southerly line of Parcel A of BLA #0340 as shown and recorded in Volume 4, Page 68; thence South 50° 51' 00" West along said Southerly line 526.00 feet to the Easterly Margin of Old Highway 99; thence North 39° 09' 00" West along said margin 327.40 feet; thence North 50° 51' 00" East 200.00 feet; thence north 39° 09' 00" West 138.40 feet; thence North 50° 51' 00" East 205 feet; thence North 39° 09' 00" West 155.60 feet to the Southerly margin of Henderson Blvd; thence North 50° 51' 00" East along said margin 235.00 feet; thence South 39° 09' 00" East 190.00 feet; thence North 50° 51' 00" East 210.00 feet; thence South 39° 09' 00" East 120.00 feet to the Point of Beginning.

PARCEL NO. 57190000900 809 SE AIRPORT COURT – PARKING LOT FOR 821 AIRPORT COURT

Lot 8 of that part of the East one-half of Section 11, Township 17 North, Range 2 West, Willamette Meridian described as follows:

Beginning at the Southwest corner of SS #0665 as shown and recorded in Volume 6, Page 692; thence North 50° 51' 00" East along the South line of said SS 51.00 feet; thence South 39° 09' 00" East 595.44 feet; thence South 46° 15' 00" West 394.14 feet to the Southeast corner of the Southwest one-quarter of the Northeast one-quarter of said Section 11; thence North 35° 54' 33" West along the Easterly Boundary of SS #1944 as shown and recorded in Volume 20, Page 113 316.5 feet to the Southerly line of Parcel A of BLA #0340 as shown and recorded in Volume 4, Page 68; thence South 50° 51' 00" West along said Southerly line 526.00 feet to the Easterly Margin of Old Highway 99; thence North 39° 09' 00" West along said margin 327.40 feet; thence North 50° 51' 00" East 200.00 feet; thence north 39° 09' 00" West 138.40 feet; thence North 50° 51' 00" East 205 feet; thence North 39° 09' 00" West 155.60 feet to the Southerly margin of Henderson Blvd; thence North 50° 51' 00" East 210.00 feet; thence South 39° 09' 00" East 120.00 feet; thence North 50° 51' 00" East 210.00 feet; thence South 39° 09' 00" East 205 feet; thence South 50° 51' 00" East 210.00 feet; thence South 39° 09' 00" East 120.00 feet; thence South 50° 51' 00" East 210.00 feet; thence South 39° 09' 00" East 120.00 feet; thence South 50° 51' 00" East 210.00 feet; thence South 39° 09' 00" East 120.00 feet; thence South 50° 51' 00" East 210.00 feet; thence South 39° 09' 00" East 120.00 feet; thence South 50° 51' 00" East 210.00 feet; thence South 39° 09' 00" East 120.00 feet; the Point of Beginning.

These legals are from the Plat Boundary Description of Kaufman Industrial Park dated August 1986

3. <u>USE OF PREMISES</u>. The Premises shall be used for Office, Storage and Parking of vehicles, ("Permitted Use") and for no other purpose without the prior written consent of Landlord, in its sole judgment. If Tenant uses the Premises in a manner which increases insurance premiums, Tenant shall be solely responsible for paying for such increase. Tenant shall not use the Premises for any illegal purpose. Tenant shall comply with all governmental rules, orders, regulations, or requirements relating to the use and occupancy of the Premises. Tenant shall observe such reasonable rules and regulations as may be adopted and published by Landlord for the safety, care and cleanliness of Premises and/or building and the preservation of good order therein. Rules and Regulations in effect as of the date of this Lease are attached hereto and identified as Exhibit "D".

4. <u>TERM.</u>

The term of this lease shall be as set forth in Section 1 (c).

Delay in commencement notwithstanding said commencement date: If for any reason Landlord cannot deliver possession of the Premises to Tenant on said date, Landlord shall not be subject to any liability therefore, nor shall such failure affect the validity of this Lease or the obligations of Tenant

hereunder. In such case, the date of commencement and termination of the Lease, as set forth above, shall be extended a period of time equal to the period of any delay in delivery of possession of the Premises; provided that the termination date shall be further extended for the additional number of days required, if any, to have the lease term expire on the last day of a calendar month. The Tenant shall not be obligated to pay rent until possession of the Premises is tendered to Tenant, provided, however, that if Landlord shall not have delivered possession of the Premises within ninety (90) days from said commencement date, Tenant may, at Tenant's option, by notice in writing to Landlord within thirty (30) days thereafter, cancel this Lease, in which event the parties shall be discharged from all obligations hereunder.

Early commencement: If Tenant occupies the Premises prior to said commencement date, such occupancy shall be subject to all provisions hereof, such occupancy shall not advance the termination date, and Tenant shall pay rent for such period at the initial monthly rates set forth above prorated for each calendar day.

5. <u>RENT.</u> Tenant shall pay Landlord the monthly rental which is set forth in Section 1 (d) in United States currency of the present standard of value in advance of the first (1st) working day of each calendar month during said term, at the office of Landlord, at Landlord's address set forth in Section 26 hereof, or at such other place as Landlord may from time to time designate in writing. The installment of rent payable for any portion, less than all, of a calendar month shall be a pro rata portion of the installment payable for a full calendar month.

In the event said rent is not paid by the tenth (10th) day of the month, then a late charge of Fifty Dollars (\$50.00) or ten percent (10%) of the then-due rent payment, whichever is greater, shall be assessed by the Landlord and paid by the Tenant as rent. In the event any rent late charge and reinstatement fee shall be unpaid for longer than ten (10) days, or in the event Tenant owes any other monies to Landlord under the terms of this Lease, such monies shall bear interest at the rate of ten percent (10%) per annum, such interest to commence on the date the rent became overdue or upon receipt of a bill from Landlord for such monies as may be due under the terms of this Lease, whichever is earlier.

SECURITY DEPOSIT. Tenant shall deposit with Landlord upon execution hereof, Six 6. Thousand Six Hundred Dollars (\$6,600.00) as a security for Tenant's faithful performance of Tenant's obligation hereunder. If Tenant fails to pay rent or other charges due hereunder, or otherwise defaults with respect to any provision of this Lease, Landlord may use, apply or retain all or any portion of said deposit for the payment of any rent or other charge in default or for the payment of any other sum to which Landlord may become obligated by reason of Tenant's default; or to compensate Landlord for any loss or damage which Landlord may suffer thereby. If Landlord so uses or applies all or any portion of said deposit, Tenant shall, within ten (10) days after written demand therefore, deposit cash with Landlord in an amount sufficient to restore said deposit to the full amount hereinabove stated; and Tenant's failure to do so shall be a material breach of this lease. Landlord shall not be required to keep said deposit separate from its general accounts. If Tenant performs all the Tenant's obligations hereunder, said deposit, or so much thereof as has not theretofore been applied by Landlord, shall be returned without payment of other increment for its use to Tenant or, at Landlords option, to the last assignee of any Tenant's interest hereunder at the expiration of the term hereof and after Tenant has vacated the Premises. No trust relationship is created herein between Landlord and Tenant with respect to said Security Deposit.

7. <u>ACCEPTANCE OF PREMISES</u>. The taking of possession of the Premises by Tenant shall constitute acknowledgment by the Tenant that the Premises were then in good and tenantable condition.

SERVICES & UTILITIES. Tenant shall pay before delinguency, at its sole cost and 8. expense, all utilities, and services of whatever kind or nature which may be used in the Premises, including, but not limited to, electricity, natural gas, domestic water, irrigation water, stormwater, refuse, recycling, sewer, cable/internet and telephone service charged or attributable to the Premises, fire alarm monitoring and fire system inspections, as required and all other services or utilities used in, upon or about the Premises by Tenant or any of its subtenants, licensees or concessionaires; provided, however, that if any such services or utilities shall be billed to Landlord and are not separately metered to the Premises, the amount thereof shall be prorated and Tenant shall pay to Landlord as part of Common Area Charges, or if it is not included in Common Area Charges, then Tenant shall pay to landlord upon demand as additional rent hereunder, an amount equal to that proportion of the total charges therefore, which the number of square feet of gross floor area in the Premises bears to the total number of square feet of gross floor area leased and occupied in the area covered by such combined charges. In no event shall Landlord be liable for an interruption or failure in the supply of any such utilities to the Premises when such failure or delay is caused by accident or conditions beyond the control of the Landlord. Landlord shall not be liable for damages, nor shall the rental herein reserved be abated for failure to furnish or delay in furnishing any of the foregoing services, when such failure or delay is caused by accident or conditions beyond the control of the Landlord, or by labor disturbances or labor disputes of any character, or by inability to secure fuel, supplies, machinery, equipment or labor after reasonable efforts to do so, or by the making of necessary repairs or improvements to the Premises or to Building, nor shall the temporary failure to furnish any of such services because of an inability to secure labor or other means to provide such services be construed as an eviction of Tenant or relieve Tenant from the duty of observing and performing any of the provisions of this lease.

9. OPERATING COSTS. As used herein, Operating Costs shall mean all costs of operating, maintaining and repairing the Building and Property, including and determined in accordance with generally accepted accounting principles, and including without limitation the following: all utility charges (other than utilities separately metered and paid directly by Tenant or other tenants); roof maintenance and gutter cleaning; business park association fees and assessments; pest control; lighting systems; fire detection and security services; landscape maintenance; property management (fees and/or costs); parking lot, road, sidewalk and driveway patching, resurfacing, restriping and maintenance; heating and air conditioning systems maintenance, and fire sprinkling system maintenance and snow and ice removal for business park common area road (no public roads); amortization (in accordance with generally accepted accounting principles) of capital improvements related to the common area as Landlord may in the future install to comply with governmental regulations and rules or undertaken in good faith with a reasonable expectation of reducing operating costs (the useful life of which shall be a reasonable period of time as determined by Landlord); costs of legal services (except those incurred directly relating to a particular occupant of the Building and Property) accounting services; and labor, supplies, materials and tools.

Operating Costs shall not include: (a) Landlord income tax or general corporate overhead, (b) the cost of any additions or expansions to the Common Areas and other items which under generally accepted accounting principles are properly classified as capital expenditures of any kind, except for certain non-real estate assets as set forth above; (c) any repairs or work performed to any portion of the Building and Property intended to be occupied by other individual tenants; (d) the cost of correcting defects in the original construction of the Building and Property; (e) ground lease rental; (f) costs incurred by Landlord for repair or restoration to the extent that Landlord is reimbursed by insurance or condemnation proceeds or that the same is covered by warranty or Landlord's insurance proceeds; (g) costs, including permits, license and inspection costs, incurred with respect

to the installation of improvements made for other tenants or other occupants or incurred in renovating or otherwise improving, decorating, painting or redecorating vacant space for other tenants or other occupants; (h) attorney's fees, leasing commissions and other costs and expenses incurred in connection with negotiations or disputes with present or prospective tenants or other occupants of the Building and Property; (i) expenses in connection with services or benefits which are not offered to Tenant and all items and services for which Tenant or any other tenant reimburses Landlord or which Landlord provides exclusively to one or more tenants (other than Tenant) but not all tenants without reimbursement; (j) costs incurred by Landlord due to the negligence or willful misconduct of Landlord or its agents, contractors, licensees and employees or the violation of any law by Landlord or any other tenants or other occupants; (k) interest, principal, points and fees on debts or amortization on any mortgage or mortgages or any other debt instrument encumbering all or any portion of the Building and or the Property; (l) any costs relating to Hazardous Materials (herein defined) not resulting from actions of Tenant; (m) charitable contributions; (n) off-site traffic lights and other off-site improvements.

The following describes the manner in which Operating Costs, Taxes and Insurance are paid under this Lease. For all purposes hereafter, the Tenant's pro-rata share shall be one hundred percent (100%), based on Tenant's occupancy of the entire building, which consists of 6,600 square feet. In the event Tenant's occupancy falls below 100%, the pro-rata share shall be based on Tenant's then pro-rata occupancy.

<u>Triple Net.</u> As additional Rent, Tenant shall pay to Landlord on the first day of each month, with payment of Tenant base Rent, one-twelfth of Tenant's Pro Rata Share of Operating Costs (Section <u>9</u>), Taxes (Section <u>10</u>) and Landlord Insurance (Section <u>15</u> and <u>16</u>).

<u>Method of Payment</u>. Tenant shall pay to Landlord Operating Costs, Taxes and Insurance as provided above pursuant to the following procedure:

(i) Landlord shall provide to Tenant, at or before the Lease Commencement Date, a good faith estimates of annual Operating Costs, Taxes and Insurance for the calendar year in which the Lease Commencement Date occurs. Landlord shall also provide to Tenant, as soon as possible following the first day of each succeeding calendar year, a good faith estimate of Tenant's annual Pro Rata Share of Operating Costs, Taxes and Insurance for the then current year; (see attached Exhibit "C")

(ii) Each estimate of Tenant's annual Pro Rata Share of Operating Costs, Taxes and Insurance determined by Landlord as described above, shall be divided into twelve (12) equal monthly installments. Notwithstanding the foregoing, the first and last such estimates during the Lease term shall be prorated from the commencement of the obligation to pay Operating Costs, Taxes and Insurance and the expiration of the Lease term as is appropriate. Tenant shall pay to Landlord such monthly installment of Operating Costs, Taxes and Insurance with each monthly payment of Base Rent. In the event the estimated amount of Tenant's Pro Rata Share of Operating Costs, Taxes and Insurance has not yet been determined for any calendar year, Tenant shall pay the monthly installment in the estimated amount determined for the preceding calendar year until the estimate for the current calendar year has been provided to Tenant. At such time as the estimate for the current calendar year is received, Tenant shall then pay any shortfall or receive a credit for any surplus for the preceding months of the current calendar year and shall, thereafter, make the monthly installment in accordance with the current estimate;

(iii) As soon as reasonably possible following the end of each calendar year of the Lease term, Landlord shall determine and provide to Tenant a statement (the Operating Costs

Statement) setting forth the amount of Operating Costs, Taxes and Insurance actually incurred and the amount of Tenant's Pro Rata Share of Operating Costs, Taxes and Insurance actually paid by Tenant with respect to such calendar year. In the event the amount of Tenant's Pro Rata Share of Operating Costs, Taxes and Insurance exceeds the sum of the monthly installments actually paid by Tenant for such calendar year, Tenant shall pay to Landlord the difference within thirty (30) days following receipt of the Operating Costs Statement. In the event the sum of such installments exceeds the amount of Tenant's Pro Rata Share of Operating Costs, Taxes and Insurance actually due and owing, the difference shall be applied as a credit to Tenant's future Pro Rata Share of Operating Costs, Taxes and Insurance payable by Tenant pursuant to this Section, except for the last Lease Year, after which Landlord shall pay to Tenant the difference within thirty (30) days following receipt of the Operating Costs Statement.

10. <u>TAXES.</u> Tenant shall pay all taxes, assessments, liens and license fees (Taxes) levied, assessed or imposed by any authority having the direct or indirect power to tax or assess or impose any such liens, by reason of Tenant's use of the Premises, and all Taxes on Tenant's personal property located on the Premises. Tenant shall also pay its Pro Rata Share of all Taxes with respect to the Building and the Property, including all real property Taxes and any Taxes resulting from a reassessment of the Building or the Property due to a change of ownership or otherwise. Tenant shall pay, before the same become delinquent, all taxes assessed against Tenant's furniture, fixtures, equipment, and other property on the Premises.

11. COMMON AREAS. The term Common Areas means all areas and facilities that are provided and designated from time to time by Landlord for the general non-exclusive use and convenience of Tenant with other tenants and which are not leased or held for the exclusive use of a particular tenant. Common Areas may, but do not necessarily include, hallways, entryways, stairs, elevators, driveways, walkways, terraces, docks, loading areas, restrooms, trash facilities, utility corridors, covered or uncovered mall areas, parking areas and garages, roadways, pedestrian sidewalks, landscaped areas, security areas and lobby. Tenant shall comply with reasonable rules and regulations concerning the use of the common areas adopted by Landlord from time to time. Without advance notice to Tenant and without any liability to Tenant, Landlord may change the size, use, or nature of any common area, erect improvements on the Common Areas or convert any portion of the Common Areas to the exclusive use of Landlord or selected tenants, so long as Tenant is not thereby deprived of the substantial benefit of the Premises and Landlord does not reduce the number of parking stalls or materially reduce the visibility or access to the Premises. Landlord reserves the use of exterior walls, roof, and airspace of the Building, and the right to install, maintain, use, repair and replace pipes, ducts, conduits, and wires in the Building, including leading through the Premises, in areas which will not materially interfere with Tenant's use of the Premises.

Tenant shall have the non-exclusive right in common with Landlord and such other tenants, to whom Landlord has granted or may grant such rights, to use the Common Areas. Tenant shall abide by the reasonable and non-discriminatory rules and regulations adopted by Landlord from time to time and of which it has given Tenant notice, and shall use its best efforts to cause its employees, contractors, and invitees to comply with those rules and regulations, and not interfere with the use of Common Areas by others. Notwithstanding the foregoing, in the event of a conflict between any such rule or regulation and the terms of this Lease, the terms of this Lease shall prevail.

Landlord shall maintain the Common Areas in good order, condition and repair. This maintenance cost shall be an Operating Cost chargeable to Tenant pursuant to Section 9.

12. <u>MAINTENANCE OF PREMISES</u>.

(a) At its expense, Landlord shall maintain in good condition, the roof membrane and the structure of the building, including the roof, drains, gutters (structural), downspouts, foundation, floor slab, load-bearing and exterior walls, plumbing (to the point of connection with the Building, only), the electrical system (to the point of connection with the Building, only), windows, and all underground utilities. The Landlord shall remain responsible for the design and adequacy of the stormwater retention pond and any alterations thereto required by any governmental authority. The Tenant shall only be responsible for its pro-rata share of all maintenance of the stormwater retention pond. Landlord will ensure that all lighting and electrical circuits are checked and are in proper working order at the commencement of the Lease. Landlord shall have no obligation to repair, replace or maintain any fixtures or equipment installed by Tenant, and Landlord shall have no obligation to make any repair or replacement occasioned by any act or omission of Tenant, its employees, agents, invitees, or licensees (see attached Exhibit "E"). Landlord shall initiate repair(s), replacement(s), and/or maintenance for which it is responsible as soon as reasonably practicable following receipt of written Notice from Tenant.

(b) At its expense, Tenant shall maintain in good condition, the interior of the Building and Premises and all of Tenant's fixtures and improvements therein and shall perform any and all replacements, repairs and/or maintenance, including, but not limited to, plumbing (from the point of connection with the Building), electrical (from the point of connection with the Building), lighting [light bulb(s), ballast(s), fluorescent tube(s) and fixtures], gutters and general roof maintenance; overhead door(s) and/or dock equipment, and the balance of all other maintenance, except that provided for in Section 12a. Tenant shall keep the Premises in a neat, clean, and sanitary condition, and shall keep the Premises and all items therein installed by Tenant in good condition.

If, following thirty (30) days' notice from Landlord, Tenant fails to make any repairs or replacements or fails to perform any maintenance for which Tenant is responsible pursuant to this Lease, Landlord may enter the Building and Premises and have such repairs, replacements, or maintenance performed, and Landlord's costs of doing so shall be payable as Additional Rent with the next due installment of Base Rent, or within thirty (30) days of receipt of a bill from Landlord, whichever is earlier.

Notwithstanding anything to the contrary herein, Tenant will provide protection so Building or Premises or warehouse insulation, lighting and wall panels will not be damaged. Any damage, including, but limited to, penetrations to wall and ceiling insulation, shall be immediately repaired by Tenant at Tenant's expense. Should Tenant fail to do so, Landlord will repair Tenant's damage, and Tenant shall reimburse Landlord within thirty (30) days of receipt of a bill from Landlord.

13. <u>ALTERATIONS AND REPAIRS</u>. Tenant shall make no changes, improvements, or alterations to the Premises without the prior written approval of Landlord. Tenant shall submit plans and specifications for its proposed changes, improvements, or alterations to the Premises to Landlord with a request for Landlord's written approval. Landlord shall respond to requests within thirty (30) days and shall not unreasonably withhold, condition or delay approval. Changes, improvements, or alterations to the Premises shall be constructed by a Washington State licensed and bonded contractor. Both (i) the proposed changes, improvements, or alterations and (ii) the contractor selected by Tenant must be submitted to Landlord for prior written approval, which shall not be unreasonably withheld, conditioned, or delayed. Landlord reserves the right to impose reasonable conditions on either approval to ensure quality and consistency with the building's standards. Changes, improvements, or alterations to the Premises shall be remained by Tenant with prior written approval of Landlord (as stated in this Lease Section 13) shall remain on the Premises and shall

become the property of Landlord upon the expiration or sooner termination of this Lease. Changes, improvements, or alterations to the Premises made by Tenant without the required prior written approvals of Landlord shall be removed by Tenant at its sole effort and expense, including all repairs to restore the Premises from damage resulting from such removal, upon the expiration or sooner termination of this Lease; if Tenant fails to comply with removal and repair of Premises as stated herein, Landlord shall perform such removal and repair at Tenant's sole expense. Tenant's fixtures may be removed from the Premises pursuant to Section 24 herein. If any of the locksets are changed, Tenant shall provide to Landlord a key for each door that is changed as well as coordinate with the Fire Department to replace the appropriate keys in Knox Box for emergency access.

INDEMNITY AND INSURANCE. Except to the extent caused by the sole negligence 14. or willful misconduct of the Landlord, its employees or agents, the Landlord and its employees, and agents shall not be liable for any injury to any persons or for damage to any property, regardless of how such injury or damage may be caused, as a result of the condition of, or in any way related to the Premises, the use of the Premises or the operations of Tenant in, on or about the Premises by Tenant or others. Except to the extent caused by the sole negligence or willful misconduct of the Landlord, its employees or agents, Tenant shall indemnify, defend and hold harmless Landlord and its agents, and employees, from and against all claim, liabilities, losses, damages and expenses (including attorney fees and cost) for injury to or death of any person or loss of or damage to property in or upon said Premises or arising out of or relating to Tenant's operations thereon, and including the person and property of Tenant, its employees, agents, invitees, licensees or others, however caused, it being understood and agreed that all property kept, stored or maintained in or upon the Premises shall be at the risk of Tenant. The foregoing immunity is specifically intended to constitute a waiver of Tenant's immunity under the Washington Industrial Insurance Act, RCW Title 51, to the extent allowed by law and necessary to provide Landlord with a full and complete indemnity from claims made by Tenant and its employees. The foregoing shall be in addition to Tenant's obligation to supply the insurance as required herein and not in discharge of or substitution for same.

15. LIABILITY INSURANCE.

- (1) Prior to obtaining occupancy and throughout the lease term, tenant shall, at Tenant's sole cost and expense, procure and maintain commercial general liability ("*CGL*") insurance covering bodily injury and property damage with a combined single limit of at least Two Million and 00/100 US Dollars (\$2,000,000.00) per occurrence.
- (2) Tenant shall furnish to the Landlord a copy of such policy or policies of insurance or a certificate evidencing the date, amount and type of insurance that has been procured pursuant to this Lease. All policies of insurance shall bear an endorsement that the same shall not be cancelled, revised or non-renewed with less than (30) days advance written notice to the Landlord and Tenant.
- (3) Tenant and Landlord shall each be responsible to maintain appropriate insurance for their respective interests in the Premises and property located on the Premises.
- (4) In the event Tenant fails to obtain the required insurance coverage, Landlord has the option and right to purchase a policy of insurance for the Landlord's benefit, in amounts in accordance with Section 15.1 and Landlord shall charge the cost of such policy as additional rent to the Tenant, payable upon demand from Landlord.

16. <u>PROPERTY INSURANCE</u>.

(a) Landlord shall carry special form clauses of loss coverage property insurance of the Building shell and core in the amount of their full replacement value, liability insurance with respect to the Common Areas, and such other insurance of such types and amounts as Landlord, in its discretion, shall deem reasonably appropriate. The cost of any such insurance shall be included in the Insurance costs, and if such insurance is provided by a "blanket policy" insuring other parties or locations in addition to the Building, then only the portion of the premiums allocable to the Property and the Building shall be included in the Insurance costs.

(b) Landlord agrees to provide fire insurance in reasonable amounts on the Building only, not contents. Tenant covenants and agrees that it will not do or permit anything to be done on the leased Premises during the term hereof, which will increase the rate of Landlord's insurance on the Building which the leased Premises form a part, above the minimum rate which would be applicable in such Premises for the Tenant's type of business; and Tenant agrees that in the event it shall cause such an increase in the rate of insurance, it will, within thirty (30) days of a written request evidencing the increase by Landlord pay to the Landlord, as additional rent, any increase in premiums resulting therefrom. The cost of fire insurance shall be included in the Insurance costs, and if such insurance is provided by a "blanket policy" insuring other parties or locations in addition to the Building, then only the portion of the premiums allocable to the Property and the Building shall be included in the Insurance costs.

17. <u>PETROLEUM, DANGEROUS, TOXIC AND HAZARDOUS MATERIALS</u>. Tenant agrees to abide by all federal, state and local laws pertaining to the handling, storage, use and transportation of petroleum, dangerous, hazardous and toxic materials. Tenant further agrees in the event of any occurrence in violation of such laws, (including but not limited to, any action resulting in a spill, emission, accumulation, contamination or fire, whether discovered during the term of this Lease or after termination or renewal thereof), Tenant shall take all steps to clean up and restore the Premises, and any other contaminated or affected area, to the satisfaction of the appropriate authorities. Tenant agrees to indemnify Landlord for any claims, damages, costs or professional fees incurred by Landlord by reason of any event or occurrence involving petroleum, dangerous, toxic or hazardous wastes attributable to Tenant's use of the Premises. Tenant shall not be responsible for any condition existing prior to the commencement of this Lease, or for any event or occurrence during the Lease term which results from a pre-existing condition.

18. <u>DAMAGE OR DESTRUCTION</u>. If the Building is damaged or destroyed by fire, Landlord shall restore the Building, except for such fixtures, improvements, and alterations as are installed by Tenant, as nearly as practicable to its condition immediately prior to such damage or destruction. Tenant, at Tenant's expense, shall so restore all such fixtures, improvements, and alterations installed by Tenant. Any restoration shall be promptly commenced and diligently prosecuted. Landlord shall not be liable for any consequential damages by reason of any such damage or destruction.

Commencing with the date of the damage or destruction and continuing through the period of restoration, the rent for the Building shall be abated for such period in the same proportion as the untenantable portion of the Building bears to the whole thereof. In the event the building is damaged to the extent of fifty percent (50%) of its fair market value or more, and in the opinion of either Landlord or Tenant it is not economically feasible to continue this Lease in effect, either party may, by written notice, terminate this Lease.

19. <u>SIGNS</u>. Tenant will not cause or permit the display of any sign, notice, or advertising matter in or about the Premises without Landlord's prior consent, which consent shall not be unreasonably withheld or delayed. Tenant shall install any approved signage at Tenant's sole expense and in compliance with all applicable laws. Tenant shall not damage the Premises in installing or removing signage and shall repair any injury or damage to the Premises caused by such installation or removal.

20. <u>LANDLORD'S ACCESS TO PREMISES</u>. After reasonable notice from Landlord (except in cases of emergency, where no notice is required), Tenant shall permit Landlord and its agents and employees to enter the Premises at all reasonable times for the purposes of repair or inspection. This Section shall not impose any repair or other obligation upon Landlord not expressly stated elsewhere in this Lease. After reasonable notice to Tenant, Landlord shall have the right to enter the Premises for the purpose of showing the Premises to prospective purchasers or lenders and to prospective Tenants, at any reasonable time during normal business hours, within 90 days prior to the expiration or sooner termination of the lease term.

21. <u>ASSIGNMENT AND SUBLETTING</u>. Neither this Lease nor any right hereunder may be assigned, transferred, encumbered, or sublet in whole or in part by Tenant, by operation of law or otherwise, without Landlord's prior written consent. All costs, of any kind, associated with any assignment, transfer, encumbrance, or sublet, including, but not limited to, demising the Premises, shall be at Tenant's sole expense. If Tenant sublets the Premises at a rental amount exceeding the contracted rental amount stated in this Lease, the Tenant shall split any such overage difference with the Landlord on an equal basis. Any merger, consolidation, liquidation, or any change in ownership of or the power to vote the majority of Tenant's outstanding voting stock, shall constitute an assignment, whether the result of a single transaction or a series of transactions.

22. <u>DEFAULT; REMEDIES</u>. The occurrence of any of the following events shall be deemed a breach of this Lease, namely: if Tenant shall make an assignment for the benefit of creditors; or if an involuntary petition is filed against Tenant under any bankruptcy law or under any other law for the relief of debtors and is not dismissed within sixty (60) days after filing; or if a receiver be appointed for the property of Tenant and is not discharged or removed within sixty (60) days; or if any department of any government or any officer thereof shall take possession of the business or property of Tenant. Upon any such occurrence, Landlord, at its option, may terminate this Lease by notice to Tenant and upon such termination; Tenant shall quit and surrender the Premises to Landlord and shall be released from any further obligations under this Lease.

Except for the circumstances of default described in the preceding paragraph, or of the failure to pay monies described in the following paragraph, if Tenant shall default in performance of any other obligations under this Lease, or shall violate, for specific cause, any other term or provision of this Lease, Landlord may, upon giving Tenant sixty (60) day notice to cure, terminate this Lease if such cure has not occurred; and upon such termination, Tenant shall quit and surrender the Premises to Landlord, but the Tenant shall remain liable as hereinafter provided.

If Tenant shall default in payment of any monies due under this Lease, Landlord may, in addition to assessing interest and late charges, upon giving Tenant ten (10) days advance written notice, terminate this Lease and upon such termination, Tenant shall quit and surrender the Premises to Landlord, but the Tenant shall remain liable as hereinafter provided. However, the Landlord, at its sole discretion, may allow reinstatement of the lease upon payment of all outstanding amounts, including a reinstatement fee of Seventy-Five Dollars (\$75.00).

If the Lease shall be terminated for Tenant's default or other material breach of this Lease. Landlord may immediately or at any time thereafter reenter the Premises and remove any and all persons and property therefrom, bring any suitable proceeding at law or otherwise, without liability hereof, and reenter the Premises, without such reentry diminishing Tenant's obligation to pay rental for the full term hereof, and Tenant agrees to pay Landlord for any deficiency arising from reentry and reletting of the Premises at a lesser rental than provided herein. Landlord shall apply the proceeds of any reletting first to the payment of such reasonable expenses as Landlord may have incurred in recovering possession of the Premises, and removing persons and property therefrom, and in putting the same into good order or condition or preparing or altering the same for reletting, and all other into good order or condition or preparing or altering the same for reletting, and all other expenses incurred by Landlord for reletting the Premises; and then to Tenant's obligation to pay rental. Any such reletting may be for the remainder of the term of this Lease or for a longer or shorter period. In any such case and whether or not the Premises, or any part thereof, be relet Tenant shall pay the Landlord the rent and all other charges required to be paid by Tenant up to the time of such termination of this Lease, and thereafter, Tenant agrees to pay the equivalent of the amount of all rent reserved herein and all other charges required to be paid by Tenant, less the net proceeds of reletting, if any, and the same shall be due and payable by Tenant monthly as the amount thereof is ascertained by Landlord, and Landlord may bring an action therefor as such monthly deficiencies arise. In any of the circumstances hereinabove mentioned, Landlord shall have the option, instead of holding Tenant liable for the amount of all the rent and charges required to be paid by Tenant less the net proceeds of reletting, if any, forthwith to recover from Tenant an aggregate sum representing, at the time of such termination of this Lease the then present worth of the excess, if any, of the aggregate of the rent and all other charges payable by Tenant hereunder that would have accrued until the end of the Lease term over the aggregate rental value of the Premises during such term.

23. COSTS, ATTORNEYS' FEES, GOVERNING LAW AND VENUE.

(a) Attorney's Fees. If any legal proceeding is brought to enforce any of the provisions of this Lease, the prevailing party shall, in addition to its other remedies, be entitled to recover its reasonable attorneys' fees and other costs incurred in the action or proceeding.

(b) Governing Law and Venue. This Lease shall be governed by the laws of the State of Washington. Venue for any proceeding involving this Lease shall be in Thurston County, Washington.

24. T<u>RADE FIXTURES</u>. Tenant may install on the Premises such equipment as is customarily used in the type of business conducted by Tenant on the Premises. Upon the expiration or sooner termination of this Lease, Tenant shall, at Tenant's expense, remove from the Premises all such equipment and all other property of Tenant and repair any damages to the Premises occasioned by the removal thereof. Any property left in the Premises after the expiration or sooner termination of this Lease shall be deemed to have been abandoned by Tenant and become the property of Landlord to dispose of as Landlord deems expedient without accounting to Tenant therefore.

25. <u>CONDEMNATION</u>. If all of the Premises is taken by any public authority under the power of eminent domain, this Lease shall terminate as of the date possession is taken by said public authority pursuant to such condemnation.

If any part of the Premises or the Building is so taken, and in the opinion of either the Landlord or Tenant it is not economically feasible to continue this Lease in effect, either party may terminate

this Lease. Such termination by either party shall be made by notice to the other given not later than thirty (30) days after possession is so taken, the termination to be effective as of the later of thirty (30) days after said notice or the date possession is so taken.

If part of the Premises is so taken, and neither Landlord nor Tenant elects to terminate this Lease, or until termination is effective, as the case may be, the rental shall be abated in the same proportion as the portion of the Premises so taken bears to the whole of the Premises, and Landlord shall make such repair or alterations, if any, as are required to render the remainder of the Premises tenantable.

All damages awarded for the taking or damaging of all or any part of the Premises shall belong to and be the property of Landlord, and Tenant hereby assigns to Landlord any and all claims to such award, but nothing herein contained shall be construed as precluding Tenant from asserting any claim Tenant may have against such public authority for disruption or relocation of Tenant's business on the Premises.

26. <u>NOTICES</u>. All notices, demands, and requests to be given by either party to the other shall be in writing. All notices, demands, and requests by Landlord to Tenant shall be sent by United States registered or certified mail, postage prepaid, addressed to ATTN: Parks and Recreation Director, Tumwater Parks & Recreation, 555 Israel RD SW, Tumwater, 98501, with a copy to City Attorney, 555 Israel Rd SW, Tumwater, WA 98501, or at such other place as Tenant may from time to time designate by notice to Landlord. All notices, demands, and requests by Tenant to the Landlord shall be sent by United States registered or certified mail, postage prepaid, addressed to Landlord at 7908 Sweet Iron Ct. SE Tumwater, WA 98501, or at such other place as Landlord may from time to time designate by notice to Tenant. Notice, demands, and requests served upon Landlord or Tenant as provided in this Section in the manner aforesaid shall be deemed sufficiently served or given for all purposes hereunder at the time such notice, demand, or request shall be so mailed in any post office in United States, Washington.

27. <u>PRIORITY OF TENANT'S INTEREST</u>. This Lease is and shall be prior to any encumbrance now of record or any encumbrance hereafter recorded affecting the building. If however, the holder of any encumbrance first in priority after nonconsensual liens requires that this Lease be subordinate to said encumbrance, this Lease shall be subordinate to said encumbrance.

Tenant shall attorn to any purchaser at any foreclosure sale, or to any grantee or transferee designated in any deed in lieu of foreclosure. Tenant shall not subordinate its interest to any encumbrance other than an encumbrance first in priority after nonconsensual liens. Tenant shall execute any documents required by any such holder to accomplish the purposes of this Section.

28. <u>SURRENDER OF PREMISES</u>. Tenant, at the expiration or sooner termination of this Lease, whether by lapse of time or otherwise, shall promptly and peacefully quit and surrender the Premises, together with all keys, to Landlord in good, neat, clean, and sanitary condition, except for reasonable wear and tear and damage not caused by any act or omission by Tenant, its employees, agents, invitees, or licensees.

29. <u>LIENS AND INSOLVENCY</u>. Tenant shall not suffer or permit any lien to be filed against Premises or any part thereof or the Tenant's leasehold interest, by reason of work, labor, services or materials performed or supplied to Tenant or anyone holding the Premises or any part thereof under Tenant. If any such lien is filed against Premises or Tenant's leasehold interest, Tenant shall cause the same to be discharged of record within thirty (30) days after the date of filing the same, and shall hold Landlord harmless against the same. Landlord has the right at all reasonable times to post any notices on the premises which Landlord deems necessary for Landlord's protection from such liens. If Tenant fails to discharge a lien within the thirty day period, Landlord may cause such lien to be released by any means Landlord deems proper, including payment and satisfaction of the claim upon which the lien is based. Tenant shall then pay to Landlord upon demand any sum paid by Landlord to remove the liens, together with interest from the date of payment by the Landlord, at the lesser of one and a half percent (1 $\frac{1}{2}$ %) per month or the maximum rate permissible by law.

30. <u>HOLDOVER</u>. If Tenant lawfully holds over after the expiration of the term of this Lease, such tenancy shall be a month-to-month tenancy. During such tenancy, Tenant agrees to pay Landlord the same rate of rental as provided herein or such rate as established by Landlord, and to be bound by all of the terms, covenants, and conditions herein specified. Rent during any hold over period shall not exceed 125% of the rent amount applicable to the last month of the prior lease term.

31. <u>RULES AND REGULATIONS</u>. Tenant shall observe the reasonable rules and regulations which Landlord shall from time to time promulgate with respect to the Premises, provided however, such rules and regulations do not negatively impact or unreasonably restrict Tenant's use of the Premises. Landlord reserves the right from time to time to make reasonable modifications to such rules and regulations which shall be binding on Tenant upon delivery of a copy of the modified rules and regulations to Tenant, provided however, such modifications to the Landlord's rules and regulations do not negatively impact or unreasonably restrict Tenant's use of the Premises. A set of the existing Rules and Regulations is attached as Exhibit D.

32. TENANT AGREES TO PROVIDE A PERSONAL GUARANTY. The undersigned hereby unconditionally guarantee, jointly and severally, to Landlord its successors and assigns, the full and prompt payment of Rent and any and all other sums and charges payable by Tenant, its successors, assigns and subtenants, and the full performance and observance of all of the covenants, terms conditions and agreements to be performed and observed by Tenant, its successors, assigns and subtenants pursuant to the terms of this Lease Agreement. This Guaranty is an absolute and unconditional guaranty of payment and performance by the Tenant under the Lease. It shall be enforceable against the undersigned without the necessity of any suit or proceeding on the part of Landlord against Tenant or any other party. Except for the right to receive such notice of default by Tenant, the undersigned waives any necessity of notice of nonpayment, nonperformance, or nonobservance by Tenant of any term or provision of the Lease. This Guaranty shall not be discharged by reason of any assignment, renewal, modification or extension of the Lease or waiver of forbearance by Landlord of any of its terms, notice of all of which the undersigned hereby waives. If Landlord is required to employ an attorney to enforce or declare its rights hereunder, the prevailing party in any such action shall be entitled to recover its attorney's fees and costs from the nonprevailing party, in an amount to be determined by the court in any such action.

33. <u>FORCE MAJEURE</u>. Either party's failure to perform any of its obligations under this Lease shall be excused if due to causes beyond its control and without the fault or negligence of the party, including but not restricted to, acts of God, acts of the public enemy, acts of any government, fires, floods, epidemics, and strikes.

34. <u>MISCELLANEOUS</u>.

(a) Non-Waiver. No failure of Landlord to insist upon the strict performance of any provision of this Lease shall be construed as depriving Landlord of the right to insist on strict performance of such provision or any other provision in the future. 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. No acceptance of rent or of any other payment by Landlord from Tenant after any default by Tenant shall constitute a waiver of any such default or any other default. Consent by Landlord in any one instance shall not dispense with necessity of consent by Landlord in any other instance.

(b) Captions and Construction. The captions in this Lease are for the convenience of the reader and are not to be considered in the interpretation of its terms.

(c) Partial Invalidity. If any term or provision of this Lease or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced as written to the fullest extent permitted by law.

(d) Estoppel Certificates. Landlord and Tenant agree from time to time promptly to execute, acknowledge, and deliver to the other party a statement in writing certifying that this Lease is unmodified and in full force and effect, as modified and stating the modifications, whether any party is in default or breach of this Lease or, with the giving of notice or lapse of time, or both, would be in default or breach of this Lease, and the dates to which the basic rent and other charges have been paid in advance, if any.

(e) Entire Agreement. This document contains the entire and integrated agreement of the parties and may not be modified except in writing signed and acknowledged by both parties.

(f) Landlord's Consent. Except in the case of assignment or subletting, Landlord shall not unreasonably withhold, condition or delay its consent where such consent is expressly provided for in this Lease.

(g) Remedies Cumulative. The specified remedies to which Landlord may resort under the terms of this Lease are cumulative and are not intended to be exclusive of any other remedies or means of redress to which Landlord may lawfully be entitled in case of any breach or threatened breach by Tenant of any provision of this Lease. In addition to the other remedies in this Lease, provided Landlord shall be entitled to the restraint by injunction of the violation, or attempted or threatened violation, of any of the covenants, conditions, or provisions of this Lease.

(h) Number; Gender; Permissive Versus Mandatory Usage. Where the context permits, references to the singular shall include the plural and vice versa, and to the neuter gender shall include the feminine and masculine. Use of the word "may" shall denote an option or privilege and shall impose no obligation upon the party which may exercise such option or privilege; use of the word "shall" shall donate a duty or an obligation.

(i) Commissions. Both parties acknowledge that they are not represented by a real estate broker. If either Landlord or Tenant use the services of a broker, which results in a real estate commission owed, the party engaging the service shall; be responsible for payment of the fee.

(j) Lease Year. As used herein, the term "Lease year" shall mean a 12-month period commencing on the date the term of this Lease commences and each 12-month period commencing on each anniversary thereof.

(k) Time. Time is of the essence to this Lease.

(I) Binding Effect. This Lease shall be binding upon the parties hereto and their respective successors and assigns.

(m) Counterparts. This Lease may be executed in one or more counterparts, including facsimile copies, each counterpart shall be deemed an original but all of which together shall constitute one and the same instrument.

35. QUIET ENJOYMENT, TITLE AND AUTHORITY.

(a) Landlord represents to Tenant that: i. Landlord has authority to execute this Lease; ii. Landlord has title to the Premises free and clear of any encumbrances, liens or mortgages, except those encumbrances, liens and mortgages and matters of record, and these and any other matters disclosed and/or apparent to Tenant; and those that do not materially interfere with Tenant's use and enjoyment of the Premises; iii. There is legal ingress and egress to the Premises from a public right-of-way; and iv. Execution and performance of this Lease will not violate any laws or agreements binding on Landlord.

(b) Landlord covenants and agrees with Tenant that upon Tenant paying the Rent and observing and performing all the terms, covenants and conditions on Tenant's part to be observed and performed, Tenant may peacefully and quietly enjoy the Premises without interference from Landlord or any party claiming through Landlord, subject to interruptions for necessary maintenance, repairs, or emergencies, and excluding disturbances caused by third parties outside of Landlord's control.

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EXECUTED as of the date first above written.

LANDLORD:

KAUFMAN HOLDINGS, INC.

By: ______ John Kaufman, Its President

Date Signed:

TENANT:

CITY OF TUMWATER

By: ______ Debbie Sullivan, Mayor

Date Signed: _____

Approved as to Form

By: _____ Karen Kirkpatrick, City Attorney

Date Signed: _____

F Ę OFFICE 10'8" × 15'9" OFFICE 10'8" × 12'0" ROOM 10'4" × 12'0" ° MEETING ROOM 30'0" × 11'11" RECEPTION 13'5" × 19'2" HALLWAY 30'0" × 5'2" ROOM 9'6" × 12'0" Ι ∢ ENTRY ROOM 18'4" × 12'0" ROOM 27'5" x 18'9" BATHROOM 9'5" × 12'0" -0 КІТСНЕИ 图 图 图 图 ° . BATHROOM 16'9" x 12'0" OFFICE 12'10" x 15'8" OFFICE 69'0" x 47'4" • • <u>ه</u> мооянтаа "0'S1 × "7'01" ROOM 4'6" × 4'2" • OFFICE 14'11" × 10'7" OFFICE 10'2" × 11'9"

EXHIBIT - A FLOOR PLAN

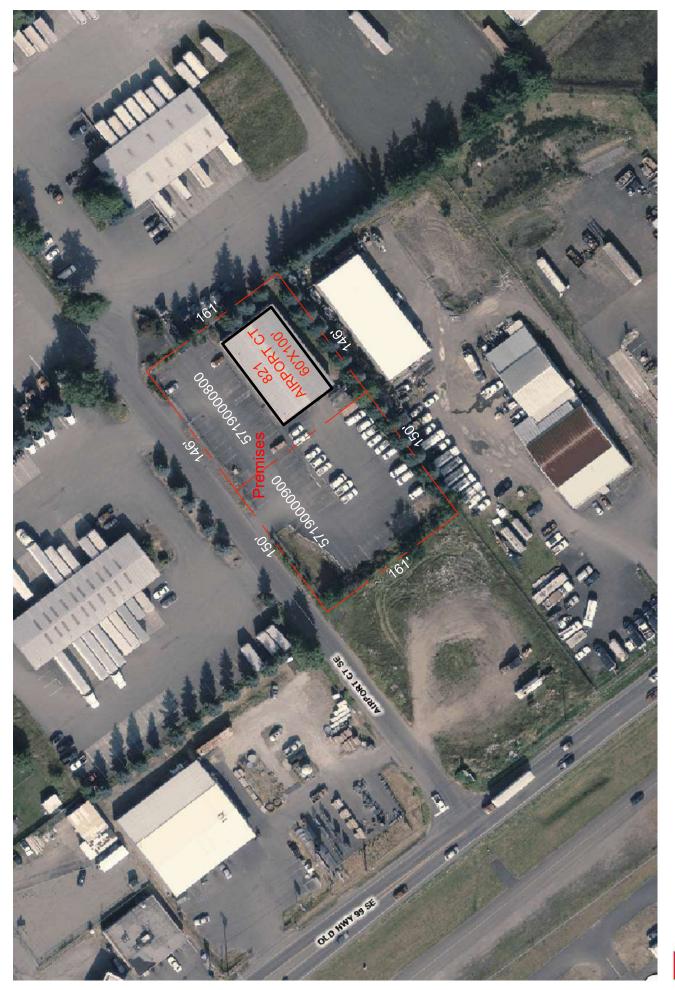


EXHIBIT B - SITE PLAN

CONSTRUCTION & DEVELOPMENT, INC. 7711 MARTIN WAY E OLYMPIA, WA 98516 7711 MARTIN WAY E OLYMPIA, WA 98516 FAX: 360.491.5230



KAUFMAN HOLDINGS, INC. - LANDLORD

Estimated 2025 NNN Expense Summary 821 @ 809 Airport Ct SW, Tumwater WA 98501 Estimated Operating & Triple Net (NNN) Expense

Building Shell Total Square Footage Tenant Square Foot Occupancy Percentage of occupancy							6,000 6,000 100.00%
		<u>2025 E</u>	Estimated Expen	<u>ses</u>			
Annual Operating Costs & Maintenance PM fee Annual Property Tax - 2025 Annual Building Insurance - 2025 Total 2025 Estimated Operating & NNN Monthly NNN	\$ expenses	79,200.00	x	3%	=	\$ \$ \$ \$ \$	4,765.23 2,376.00 10,917.67 2,405.13 20,464.03 1,705.34
					Monthly PSF Cost: Annual PSF Cost:		\$0.28 \$3.41

	Month	nly Base Rent	N	/onthly NNN	Tota	Due Monthly
Total Estimated Monthly BaseRent + NNN for 2025:	\$	6,600.00	\$	1,705.34	\$	8,305.34

* Payments are due on the first of the month

* NNN reconcilliation will take place annually

* Final reconcilliation may result in adjustements based on actual expenses

These are estimated costs based on Projected 2025 expenses and may be subject to change

EXHIBIT "D" Kaufman Holdings Inc Leased Premises Rules and Regulations

Kaufman Holdings Inc is committed to keeping its properties in first class condition for the benefit of its Tenants and ownership. To meet this objective, the following rules and regulations are established.

- 1. **Signage:** Tenant shall not place signage on the premises or in the common area that do not conform to the signage criteria specified in the lease, City ordinance or rules reasonably established by the Landlord. Tenant must submit all signage and signage modification requests in writing to Landlord and Landlord must approve such requests before installation. The following signage is prohibited outright: Illuminated neon tube, "sandwich" type board signs and any non-standard window signage such as banners, cardboard, or handwritten.
- 2. Outside Storage: Tenant shall not keep or store any equipment (personal or for business use), or inventory outside of the leased premises. This includes the common area directly adjacent to Tenant's space. Such items shall be stored within the leased premises, or at an off-site location. In limited circumstances and duration, Landlord shall allow equipment or vehicles used in Tenant's day-to-day business to be stored in Tenant's portion of the common area, which is designated and shown on attached Exhibit B.
- 3. **Pallets/Moving Materials:** Landlord shall monitor pallet accumulation outside the leased premises and shall require removal of such, as well as materials used in the distribution and transportation of product and materials related to Tenant's business. These materials may be present in and around the leased premises but will not be allowed to accumulate or be stored in the common area outside the leased premises.
- 4. Trash/Debris: Tenant and its employees shall contain trash, debris or recyclable materials generated by Tenant, its employees and invitees in a Landlord approved type of receptacle. If Tenant consistently overloads such receptacles, Landlord has the right to remove any excess and dispose of the material at Tenant's cost, including dump fees. Tenant also agrees to purchase or provide any required locking device, acceptable to such vendor, to reduce the possibility of unauthorized dumping in Tenant's dumpster enclosure outside the Tenant's space, or if such space does not have such an enclosure, then out of the way of common drives or other traffic areas.
- 5. **Outside Contractors:** As stated in the lease, Tenant will not make any alterations to the leased premises without prior written approval of Landlord and will not employ the services of any contractor without prior written approval of Landlord. Such services include modification that may affect building systems (fire sprinkler, electrical, plumbing, etc.), and signage installation.

The tenant must submit the following for the Landlord's review and approval before any work begins:

- 1. Contractor's business license authorizing work in the State of Washington.
- 2. Proof of the contractor's current insurance coverage meeting Landlord's requirements (to be provided upon request).
- 3. Any other reasonable documentation requested by Landlord to verify the contractor's qualifications.

Landlord reserves the right to approve or deny any contractor based on reasonable criteria, ensuring the protection and integrity of the building.

- 6. Domestic Water Supply/Use of Building Hose Bibs: Tenant shall not unreasonably consume building domestic water as would be considered excessive for normal day to day operations of a typical business, unless such use is expressly permitted in the lease, or authorized by Landlord. This includes washing equipment or business and/or personal vehicles in the common areas, or any other activity that would increase water usage and affect common area costs of the premises. If Landlord determines that Tenant is using water in excess of normal consumption, Landlord reserves the right to impose a surcharge for such usage or require separate metering of the leased premises.
- 7. Key System/Exterior Door: Tenant shall not make any modifications to exterior door keyway. If new keying is required, Tenant shall make such request through Landlord and employ the services of Landlord's key hardware vendor (All City Lock). On request, Tenant shall provide Landlord with its premises security alarm information. Landlord shall not be liable for costs associated with entering the premises on an emergency basis or any charge for such for false alarm (from either the security monitoring company or any law enforcement entity).
- 8. **Emergency Information:** Tenant shall keep Landlord advised of current telephone number of Tenant's employees who should be contacted in an emergency (for example: fire, break-in, or vandalism). If Landlord determines it is necessary to respond to such emergency on Tenant's behalf, Tenant shall pay all costs incurred for services ordered by Landlord to secure or otherwise protect the leased premises and the contents thereof, including any premium charges for time spent by Landlord's employees in responding to such emergency.
- 9. **Rooftop Access:** Tenant, Tenant's employees, vendors, and invitees are prohibited from accessing the premises rooftops. Any requests related to such access shall be directed to Landlord.
- 10. **Antennas, Satellite Dishes, Etc:** No such equipment shall be installed on the buildings without the prior written consent of Landlord, which will not be unreasonably withheld.
- 11. Electrical and Telephone Installation: Landlord shall have sole power to direct electricians as to where and how telephone and other wires are to be introduced. No boring or cutting for wires or conduits is allowed without the consent of the Landlord. The location of telephones, call boxes, and other office equipment affixed to the premises shall be subject to the approval of the Landlord. Tenant may not make any changes to the existing wiring without the prior written approval of the Landlord. Telecommunications vendors must follow Landlord's Cabling Rules and meet all city building code requirements.

Landlord Initial

Tenant Initial

EXHIBIT "E" ADDENDUM TO LEASE AGREEMENT KAUFMAN REAL ESTATE, LLC – LANDLORD CITY OF TUMWATER PARKS DEPARTMENT- TENANT

TAXES AND	INSURANCE	
Landlord	Tenant	
	\boxtimes	Real Estate Taxes
	\boxtimes	Other Property Assessments
	\boxtimes	Real Property Insurance
	\boxtimes	Personal Property Insurance
	\boxtimes	Association Dues
UTILITIES		
Landlord	Tenant	(see Lease, Section 8 - Utilities)
	\boxtimes	Domestic Water (City of Tumwater (360) 754-4133)
	\boxtimes	Irrigation Water
	\boxtimes	Septic Cleaning
		• This is a NNN expense but is coordinated by Landlord.
	\boxtimes	Storm Water (City of Tumwater (360) 754-4133)
	\boxtimes	Garbage Collection (Pacific Disposal (360) 455-8439)
	\boxtimes	Recycling Collection (Pacific Disposal (360) 455-8439)
	\boxtimes	Electricity (Puget Sound Energy (888) 255-5773)
	\boxtimes	Natural Gas (Puget Sound Energy (888) 255-5773)
	\boxtimes	Telephone Service
	\boxtimes	Cable/ Internet Service (Comcast Contact – Mitja Kudow
		(360) 977-0912 mitja_kadow@comcast.com)
	\boxtimes	Smoke Detectors
	\boxtimes	Security Alarm – equipment installation and monitoring, if
		required by Tenant shall be paid for by the Tenant.
		required by renam shall be paid for by the renam.
JANITORIAL	-	
Landlord	Tenant	
	\boxtimes	Janitorial Service
	\boxtimes	Interior Window Washing
	\boxtimes	Exterior Window Washing
	\boxtimes	Restroom Supplies
	\boxtimes	Light Bulb Replacement
	\boxtimes	Carpet Cleaning
	AINTENANCE	
Landlord	Tenant	
	\boxtimes	Equipment & Business Property Maintenance
	\boxtimes	Interior Lights & Electrical (Capital Electric (360) 357-3237)
	\boxtimes	Replacement of Ballasts (Capital Electric (360) 357-3237)
	\boxtimes	Repair of Floor Coverings
	\boxtimes	Repair of Window Coverings

Tenant Initial

EXHIBIT "E" ADDENDUM TO LEASE AGREEMENT KAUFMAN REAL ESTATE, LLC – LANDLORD CITY OF TUMWATER PARKS DEPARTMENT -TENANT

Landlord		(Continued)
	Tenant	
\boxtimes		Plumbing to Point of connection with the building.
	\boxtimes	Plumbing Fixtures
		* Tenant shall be responsible for repairs during the term
		of the lease.
	\boxtimes	HVAC – Quarterly Maintenance of the HVAC system.
		Replacement of filters as recommended in
		Equipment service manual
	\boxtimes	Annual Inspection of Premises by Fire Dept. related to Tenant
		use
	\boxtimes	Annual Service of Fire Extinguishers
\boxtimes		Keys: Landlord will provide one set of original keys and
	—	coordinate them to Fire Knox Box at Lease Commencement.
	\boxtimes	Keys: Tenant changes to locksets will require Tenant to provide
		new set of keys to Landlord and be charged a fee to coordinate
		Knox Box Key Change with Fire Department. Note that any
		locksets changed by Tenant shall be replaced with Schlage or
		equal.
STRUCTU		
Landlord	Tenant	The sector of the state sector of the
	\boxtimes	Tenant Installed Improvements
\boxtimes		All Structural Portions of the Building
_	_	\boxtimes Including the roof & watertight integrity of same (Landlord)
\boxtimes		Exterior Doors
\boxtimes		Exterior Windows
_		
_		
EXTERIOR		
EXTERIOR	MAINTENANCE	<u> </u>
EXTERIOR Landlord	E MAINTENANCE Tenant ⊠	Sidewalks Exterior Lighting
EXTERIOR Landlord	E MAINTENANCE Tenant ⊠ ⊠	Sidewalks Exterior Lighting Snow Removal for Sidewalk(s) & Parking Lot(s)
EXTERIOR Landlord	E MAINTENANCE Tenant ⊠ ⊠ ⊠ ⊠	Sidewalks Exterior Lighting Snow Removal for Sidewalk(s) & Parking Lot(s) Parking Lot Cleaning of Tenant's site (see Exhibit B)
EXTERIOR Landlord	E MAINTENANCE Tenant ⊠ ⊠ ⊠ ⊠ ⊠	Sidewalks Exterior Lighting Snow Removal for Sidewalk(s) & Parking Lot(s) Parking Lot Cleaning of Tenant's site (see Exhibit B) Landscaping maintenance
EXTERIOR Landlord	E MAINTENANCE Tenant ⊠ ⊠ ⊠ ⊠ ⊠	Sidewalks Exterior Lighting Snow Removal for Sidewalk(s) & Parking Lot(s) Parking Lot Cleaning of Tenant's site (see Exhibit B) Landscaping maintenance Mailbox: Tenant shall supply and maintain their own mailbox.
EXTERIOR Landlord	C MAINTENANCE Tenant ⊠ ⊠ ⊠ ⊠ ⊠ ⊠ ⊠	Sidewalks Exterior Lighting Snow Removal for Sidewalk(s) & Parking Lot(s) Parking Lot Cleaning of Tenant's site (see Exhibit B) Landscaping maintenance Mailbox: Tenant shall supply and maintain their own mailbox. Domestic & Irrigation Backflow Annual Inspections
EXTERIOR Landlord	E MAINTENANCE Tenant ⊠ ⊠ ⊠ ⊠ ⊠ ⊠ ⊠	Sidewalks Exterior Lighting Snow Removal for Sidewalk(s) & Parking Lot(s) Parking Lot Cleaning of Tenant's site (see Exhibit B) Landscaping maintenance Mailbox: Tenant shall supply and maintain their own mailbox. Domestic & Irrigation Backflow Annual Inspections Annual Catch Basin Inspections
EXTERIOR Landlord	C MAINTENANCE Tenant ⊠ ⊠ ⊠ ⊠ ⊠ ⊠ ⊠	Sidewalks Exterior Lighting Snow Removal for Sidewalk(s) & Parking Lot(s) Parking Lot Cleaning of Tenant's site (see Exhibit B) Landscaping maintenance Mailbox: Tenant shall supply and maintain their own mailbox. Domestic & Irrigation Backflow Annual Inspections Annual Catch Basin Inspections Roof Maintenance & Gutter and downspout cleaning.
EXTERIOR Landlord	E MAINTENANCE Tenant ⊠ ⊠ ⊠ ⊠ ⊠ ⊠ ⊠	Sidewalks Exterior Lighting Snow Removal for Sidewalk(s) & Parking Lot(s) Parking Lot Cleaning of Tenant's site (see Exhibit B) Landscaping maintenance Mailbox: Tenant shall supply and maintain their own mailbox. Domestic & Irrigation Backflow Annual Inspections Annual Catch Basin Inspections Roof Maintenance & Gutter and downspout cleaning. • This is a NNN expense, landlord will coordinate gutter
EXTERIOR Landlord	E MAINTENANCE Tenant ⊠ ⊠ ⊠ ⊠ ⊠ ⊠ ⊠	Sidewalks Exterior Lighting Snow Removal for Sidewalk(s) & Parking Lot(s) Parking Lot Cleaning of Tenant's site (see Exhibit B) Landscaping maintenance Mailbox: Tenant shall supply and maintain their own mailbox. Domestic & Irrigation Backflow Annual Inspections Annual Catch Basin Inspections Roof Maintenance & Gutter and downspout cleaning.

Tenant Initial