COMMERCIAL LEASE AGREEMENT (MULTI-TENANT; NNN)

THIS COMMERCIAL LEASE AGREEMENT (the "<u>Lease</u>") is entered into and effective as of this ______ day of _____, 2022 (the "<u>Execution Date</u>"), between **Together Center**, a Washington nonprofit corporation ("<u>Landlord</u>"), and the **City of Bellevue**, on behalf of and as administering agent for **A Regional Coalition for Housing (ARCH)** ("<u>Tenant</u>"). Landlord and Tenant agree as follows:

1. LEASE SUMMARY.

a. Premises. The area described as follows: Approximately 1611 square feet ("<u>SF</u>") of space in Building B (the "<u>Building</u>") commonly known as Suite 119 and located at 16305 NE 87th Street, City of Redmond, King County, Washington 98052, on property legally described on Exhibit "A" attached hereto (the "<u>Property</u>"). The Premises are depicted on the diagram attached hereto as Exhibit "B."

b. Commencement Date. The Term of this Lease shall commence (the "<u>Commencement</u> <u>Date</u>") on the date on which Landlord tenders vacant possession of the Premises in accordance with the Work Letter attached hereto as Exhibit "C" (the "<u>Term</u>").

c. Term. 60 months, beginning on the Commencement Date and ending on the last day of the 60th full month following the Commencement Date, such that the Termination Date (as defined below) shall always be the last day of the calendar month.

d. Termination Date. The Term of this Lease shall terminate on the last day of the 60th full month following the Commencement Date (the "<u>Termination Date</u>").

e. **Base Monthly Rent**. The Base Monthly Rent shall be \$2,282.25 (\$17/ per sq ft annual), and shall be payable at Landlord's address shown below, or such other place designated in writing by Landlord.

f. Prepaid Rent. N/A

g. Tenant's Pro Rata Share. The Premises consist of an area containing 1,611 rentable square feet which is within the Building, as of the date of this Lease, that contains an agreed total area of approximately 49,400 rentable square feet. Tenants Pro Rata Share is 3.3% based on the ratio of the rentable area of the Premises to the rentable area of the Building.

h. Permitted Uses. Nonprofit or government office, social services, physical/occupational therapy, behavioral health services such as psychiatry, psychology, counseling and talk therapy, or general nonprofit or government business and administrative use.

i. Extension Option(s). Two (2) options to extend the Term each for a period of sixty (60) months (each, an "Extension Term"). Base Monthly Rent during the Extension Term(s) shall be as set forth in Section 4 of the Lease.

j. Security Deposit. N/A

k. Notice and Payment Addresses. See following page.

Landlord:

Together Center c/o AEA Accounting & Management Services P.O. Box 656 Everett, Washington 98206 Email: ceo@togethercenter.org; cc: AnneEHeartsong@comcast.net

Tenant:

A Regional Coalition for Housing (ARCH) 16305 NE 87th Street Redmond, WA 98052 Email: JTang@bellevuewa.gov; LMasters@bellevuewa.gov

I. Parking. Tenant shall have nonexclusive rights to use Landlord-designated and shared parking, access, ingress, egress and other common areas located in the Building or on the Property at no additional charge.

m. Brokers: N/A

n. Guarantor(s): N/A

o. Tenant Improvement Allowance: N/A

2. PREMISES; COMMON AREAS; INITIAL IMPROVEMENTS. Landlord leases to Tenant, and Tenant leases from Landlord the Premises upon the terms specified in this Lease. Except as expressly provided elsewhere herein, Tenant acknowledges that neither Landlord nor any agent or representative of Landlord has made any representation or warranty with respect to the suitability of the Premises for the Permitted Uses set forth below. The taking of possession of the Premises shall be conclusive evidence that Tenant accepts the Premises and the common areas "AS IS" and without express or implied warranty, and that the Premises and the common areas were in good condition at the time possession was taken except for items that are Landlord's responsibility hereunder. Landlord reserves and excepts from the Premises the roof and exterior walls of the Building of which the Premises are a part. Tenant shall also have a license to use, in common with others, those areas of the Building and the Property made available by Landlord from time to time for the common use and enjoyment of tenants and occupants of the Building and not intended to be leased to tenants for their exclusive use. The manner in which the common areas shall be operated and maintained and the expenditures therefor shall be in Landlord's sole discretion. Provided that there is reasonable access to the Premises, Landlord may in its sole discretion increase, decrease or change the number, location, and dimensions of all buildings, the other premises therein, driving lanes, driveways, walkways, loading docks, parking places and other improvements thereon and all common areas, and to change the name of the Building and the Property. No diminution of the common areas shall be deemed a constructive or actual eviction, or entitle Tenant to compensation or a reduction or abatement of Base Monthly Rent. References to "this Lease" include all exhibits and matters incorporated by reference as part of this Lease. This Lease does not grant to Tenant any rights to light or air over or about the Building or any part of the Property. Any initial Tenant Improvements to the Premises shall be performed and paid for as described in Exhibit "C" attached hereto.

3. TERM. The Term of this Lease shall commence on the date specified in Section 1 and shall expire on the date specified in Section 1, subject to Tenant's Extension Terms (if any). If Landlord encounters delays in delivering possession of the Premises to Tenant, this Lease will not be void or voidable, nor will Landlord be liable to Tenant for any loss or damage resulting from such delay. Tenant agrees to execute a certificate confirming the date of the Commencement Date in any form supplied by Landlord. Upon Landlord's written consent, Tenant shall have the right to enter the Premises following mutual execution hereof for the purpose of planning, inspecting, designing and installing its trade fixtures, furniture, and equipment. Without limiting the foregoing, Landlord shall have the right to have a representative of Landlord accompany Tenant during such early access period.

a. Automatic Extension of Term. This Lease shall automatically extend on a month-tomonth basis after the Term as may be extended pursuant to Section 3(b) below, unless either Landlord or Tenant elects to terminate this Lease at the end of such Term or any time thereafter, upon no less than thirty (30) days' prior written notice to the other party. In the event of such extension, Tenant shall be a tenant from month-to-month subject to all of the terms contained herein, except as to Term. During such month-to-month extension period, Tenant shall pay to Landlord a monthly rental equivalent to the Base Monthly Rent payable by Tenant to Landlord with respect to the last month of the Term preceding such month-to-month extension period.

b. Extension Terms. Provided Tenant is not in default hereunder, Tenant shall have the right to extend this Lease for the number of Extension Term(s) set forth in Section 1 above upon the same terms and conditions herein, except that Base Monthly Rent shall be adjusted as set forth in Section 4 below, and upon expiration of Tenant's final Extension Term, Tenant shall have no further right or option to further extend or renew the Term of this Lease. Tenant may exercise an extension option only by providing Landlord written notice thereof not less than one hundred eighty (180) days prior to the end of the then-existing Term or Extension Term, as applicable. The options to extend the Term of this Lease are exercisable only by the original Tenant which is named in Section 1 above.

4. BASE MONTHLY RENT, ADJUSTMENTS AND ADDITIONAL RENT. Tenant shall pay Landlord without notice, demand, deduction, or offset, in lawful money of the United States, the Base Monthly Rent as stated in Section 1 above in advance on or before the first (1st) day of each month during the Term, as may be adjusted pursuant to the terms hereof. Base Monthly Rent shall be considered late if paid after the 10th of the month. Any amount of money due to Landlord under this Lease not specifically characterized as Base Monthly Rent shall constitute "<u>additional rent</u>" and, if no specific due date is otherwise specified herein, shall be due within thirty (30) days after receipt by Tenant of a written statement from Landlord. If Tenant shall fail to pay when due any installment of Base Monthly Rent or additional rent, a late charge equal to the <u>lesser</u> of (i) \$250, or (ii) five percent (5%) of the overdue amount shall be payable by Tenant to reimburse Landlord for costs relating to collecting and accounting for said late payment(s). For any partial months at the beginning of the Term of this Lease, Base Monthly Rent for such partial months shall be prorated based on a thirty (30)-day month. For the first Lease year, Base Monthly Rent will be \$27,387 and paid in monthly installments of \$2,282.25. For each subsequent Lease year, during the initial term and any extension terms, Base Monthly Rent shall be increased by 3%.

5. SECURITY DEPOSIT. Upon Tenant's execution of this Lease, Tenant shall deliver to Landlord the Security Deposit specified in Section 1 above. Landlord's obligations with respect to the Security Deposit are those of a debtor and not of a trustee, and Landlord may commingle the Security Deposit with its other funds. If Tenant breaches any covenant or condition of this Lease, including, but not limited to, the payment of Rent, Landlord may apply all or any part of the Security Deposit to the payment of any sum in default and any damage suffered by Landlord as a result of Tenant's breach, it being expressly understood that the Security Deposit shall not be considered as a measure of Tenant's damages in case of default by Tenant. In such event, Tenant shall, within five (5) days after written demand therefor by Landlord, deposit with Landlord the amount so applied. Any payment to Landlord

from the Security Deposit shall not be construed as a payment of liquidated damages for any default. If Tenant complies with all of the covenants and conditions of this Lease throughout the Term, the Security Deposit shall be repaid to Tenant without interest within thirty (30) days after the surrender of the Premises by Tenant in the condition required hereunder.

6. **USES.** Tenant may use the Premises for the provision of nonprofit or government office, social services, physical or occupational therapy, behavioral health services such as psychiatry, psychology, counsel and talk therapy, or general nonprofit or government business use permitted by local ordinances or codes and approved in advance by Landlord's Board of Directors (the "Permitted Uses"), and for no other use or purpose without Landlord's prior written consent, which Landlord may withhold in its sole and absolute discretion. No act shall be done on or around the Premises that is unlawful, nor may Tenant commit or allow to be committed any waste upon the Premises, or any public or private nuisance. Without limiting the foregoing, Tenant acknowledges that the Premises and the common areas are subject to, among other things, all applicable zoning, municipal, county and state laws, ordinances and regulations governing or regulating the use of the Premises or the common areas, and to any easements, covenants, restrictions or liens of record, including, but not limited to, that certain Declaration of Covenants, Conditions and Restrictions for Together Center Redmond Condominium dated November 25, 2020, and recorded on December 1, 2020, as Instrument No. 20201201001991, as may be amended from time to time (the "CC&Rs"). Furthermore, in the event of a conflict between the terms of the Lease and the CC&Rs, the CC&Rs shall control. Tenant, at its sole expense, shall use and occupy the Premises in compliance with all laws, including, without limitation, the Americans with Disabilities Act, orders, judgments, ordinances, regulations, codes, directives, permits, licenses, requirements of any board of fire insurance underwriters or similar bodies (collectively, the "Legal Requirements"). Tenant shall, at its expense, make any alterations or modifications, within or without the Premises, that are required by 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 or increase the insurance risk.

7. OPERATING EXPENSES. In addition to paying the Base Monthly Rent specified above, Tenant shall pay as additional rent, Tenant's Pro Rata Share of the total Operating Expenses. "Operating Expenses" shall include, but not be limited to, the costs and expenses of operating, managing, lighting, repairing, replacing (when repairing will be uneconomical), painting, and maintaining the Building and the Property, including all common areas in reasonably good order, condition, and repair, including, without limitation: (1) property management fees; (2) cleaning, trash removal, and recycling expenses; (3) labor costs for personnel performing services in connection with the operation, repair, maintenance, and replacement of the common areas, the Building, and the Property and the payroll taxes and fringe and other benefits related thereto; (4) all utilities and services not separately metered to tenants; (5) managing, operating, maintaining, repairing, and replacing when necessary all portions of the common areas, the Building, and the Property; (6) insurance premiums, deductibles, and retentions; (7) rental of or cost of tools, machinery, and equipment used in connection with managing, repairing, cleaning and maintaining the common areas, the Building, and the Property; (8) the costs of janitors, gardeners, security personnel and equipment; (9) regulatory fees and surcharges or similar impositions imposed by governmental requirements based upon or measured by the number of parking spaces, commuter trips, or the areas devoted to parking; (10) the Property's reasonably allocated portion of the cost of any easements, CC&Rs, declarations, or other agreements maintained for the benefit of the Property's tenants and occupants; (11) license, permit, and inspection fees; (12) the Property's reasonably allocated portion of accounting (i.e., the salary and associated expenses of Property accounting) and legal services directly attributable to the Property, but excluding all such services in connection with negotiations and disputes with specific tenants unless the matter involved affects all tenants of the Property; (13) (A) the annual amortization (amortized over the useful life as reasonably determined by Landlord) of costs, including financing costs, if any, incurred by Landlord after the Commencement Date hereof for any capital improvements installed or paid for by Landlord at the Building or Property which are reasonably

responsive to requirements imposed with respect to the Building under any amendment to any applicable building, health, safety, fire, nondiscrimination, or similar law or regulation, or any new law, or any new interpretation of an existing law, which amendment, law or new interpretation is adopted or arose after the Commencement Date hereof, and (B) the annual amortization (amortized over the useful life thereof as reasonably determined by Landlord) of costs of any equipment, device or capital improvement purchased or incurred and designed with a reasonable probability of improving the operating efficiency of the Building or the Property or providing savings in the cost of operating or maintaining the Building or Property; (14) long-term programmed maintenance costs, including, without limitation, heating, ventilation, and air conditioning ("HVAC") equipment and elevator system maintenance; and (15) a market rate fee to Landlord for administration of the Property. Notwithstanding the foregoing, the following shall be excluded from Operating Expenses: (i) depreciation and amortization, except as provided herein and except on materials, tools, supplies and vendor-type equipment purchased by Landlord to enable Landlord to supply services Landlord might otherwise contract for with a third party where such depreciation and amortization would otherwise have been included in the charge for such third party's services and when depreciation or amortization is permitted or required, the item shall be amortized with interest over its reasonably anticipated useful life as reasonably determined by Landlord; (ii) costs of any special services rendered to individual tenants; (iii) costs billed to and paid by individual tenants (including Tenant); (iv) costs paid by proceeds of insurance or condemnation; (v) costs required to be capitalized in accordance with generally accepted accounting principles, except as permitted in clause (13) above; (vi) Landlord's income tax or general corporate overhead; (vii) loan or ground lease payments; (viii) real estate broker's commissions; (ix) any costs regarding the operation, maintenance, and repair of the Premises, the Building, or the Property paid directly by Tenant or other tenants in the Building or otherwise reimbursed to the Landlord; and (x) other costs for which another party is required to pay Landlord so that Landlord shall not recover any item of cost more than once. From and after the Commencement Date, and during the Term and any extension or renewal thereof, Tenant shall pay to Landlord on the first day of each month, Tenant's Pro Rata Share of Operating Expenses, based on, at Landlord's election, either: (a) the amount of such expenses actually incurred during the billing period; or (b) equal periodic installments which have been estimated in advance by Landlord for a particular period. If Landlord elects to bill Tenant based upon estimates, Landlord shall, within one hundred twenty (120) days after the end of the calendar year, or as soon thereafter as possible, forward to Tenant a written statement (the "annual reconciliation statement") which adjusts the estimated expenses to reflect the actual expenses incurred for such year. If the annual reconciliation statement shows the actual expenses to have exceeded the estimated expenses, then Tenant's share of such additional amount shall be paid by Tenant to Landlord within thirty (30) days of receipt of the annual reconciliation statement; if the annual reconciliation statement shows the actual expenses to have been less than the estimated expenses, Landlord shall at its election pay the amount to Tenant or credit Tenant's share against the sums next due hereunder from Tenant to Landlord (or against any outstanding sums then due). Within sixty (60) days of Landlord's delivery of the annual reconciliation statement, Tenant shall have the right, at its own cost and expense, to audit or inspect Landlord's detailed records each year with respect to Operating Expenses, as well as all other additional rent payable by Tenant pursuant to this Lease for any year of the Term. Such audit shall be conducted by a CPA mutually selected by Landlord and Tenant, and the CPA shall not be compensated on a contingency basis. The audit's conclusions shall be final and binding on the parties. Landlord shall maintain at its principal place of business for a period of at least twelve (12) months after the expiration of each calendar year during the Term, full and accurate books, records and supporting documents in connection with Landlord's Operating Expenses. If Tenant's audit reveals an overpayment by Tenant, such overpayment shall be credited by Landlord against the Base Rent next due and owing from Tenant, and if such overpayment equals seven percent (7%) or more, Landlord shall pay the cost and expenses of such audit and such overpayment shall be credited by Landlord against the Base Rent next due and owing from Tenant. In the event the Term has expired, any such overpayment and any such audit expense owed by Landlord to Tenant shall be paid to Tenant within ten (10) business days after determination thereof. If, based on the audit, it is determined that Landlord has understated actual Operating Expenses, then Tenant shall pay any deficiencies in the payment of actual Operating Expenses

by Tenant revealed thereby together with the installment next becoming due (or, if the Lease has expired of terminated at the time of such determination, Tenant shall pay such deficiency within ten (10) business days after determination thereof).

TAXES. In addition to paying the Base Monthly Rent and Tenant's Pro Rata Share of the total 8. Operating Expenses, Tenant shall pay before delinquency all license fees, public charges, taxes and assessments on the furniture, fixtures, equipment, inventory and other personal property of or being used by Tenant in the Premises, whether or not owned by Tenant. Tenant shall pay to Landlord as additional rent, Tenant's Pro Rata Share of all "Taxes," which are all real property taxes, excises, license and permit fees, utility levies and charges, business improvement districts, metropolitan improvement district fees, transport fees, trip fees, monorail and other light rail fees or assessments, transportation management program fees, school fees, fees assessed by air quality management districts or any governmental agency regulating air pollution or commercial rental taxes, and other governmental charges and assessments, general and special, ordinary and extraordinary, unforeseen as well as foreseen, of any kind and nature whatsoever, and installments thereof (including any business and occupation tax imposed on Landlord, the Building or the Property, and any tax imposed on the rents collected therefrom or on the income generated thereby, whether or not substituted in whole or in part for real property taxes, as well as assessments and any license fee imposed by a local governmental body on the collection of rent), which shall be levied or assessed against all or any portion of the Premises, or imposed on Landlord for any period during the Term of this Lease. Said Taxes attributable to the years that this Lease commences and terminates shall, if necessary, be prorated and apportioned between Landlord and Tenant to coincide with the commencement and expiration of the Term.

9. UTILITIES AND SERVICES. Landlord shall furnish the Premises with reasonable amounts of water, heat, air conditioning, and reasonable janitorial services, and Landlord shall furnish the common areas with reasonable amounts of electricity, water, heat, air conditioning and other utilities which are necessary and appropriate for the use thereof. Additionally, Landlord shall furnish certain portions of the common areas with WiFi services, which areas shall include the following: lobby, co-working spaces, lounge areas, conference rooms, and event spaces. The costs of all such utilities and services provided or arranged by Landlord shall be paid either directly by Tenant to the appropriate utility provider (if separately metered) or included in Operating Expenses and billed in accordance with Section 7 above. Tenant shall arrange, at its sole expense, and be responsible for the provision of any and all services and utilities necessary and appropriate for the Premises, other than those specifically set forth in this Section 9, including, without limitation: (i) any telephone, internet and cable television services to the Premises; and (ii) electricity and any other utilities which are separately metered to the Premises. If Landlord determines that Tenant has used more of any utilities than other tenants with similarly sized spaces, Landlord shall reasonably allocate such costs proportionally to Tenant based on Tenant's use of such utilities. By taking possession of the Premises, Tenant shall be deemed to have verified that the amounts and types of such utility services available to the Premises are satisfactory for its needs. Landlord shall not be liable for any loss, injury or damage to person or property caused by or resulting from any variation, interruption, or failure of utilities or services due to any cause whatsoever, and rent shall not abate as a result thereof, except to the extent such interruption lasts for more than 72 hours and is due to the intentional misconduct or gross negligence of Landlord.

10. ALTERATIONS. Tenant may not make alterations, additions or improvements to the Premises ("<u>Alterations</u>") without the prior consent of Landlord, which Landlord may withhold in its sole and absolute discretion. Except to the extent otherwise determined by Landlord, all such Alterations and any Tenant Improvements shall remain on and be surrendered with the Premises upon expiration or earlier termination of this Lease.

11. TENANT IMPROVEMENTS. Landlord, at its sole cost and expense, shall construct the Tenant Improvements (as defined in the Work Letter) pursuant to the Work Letter.

REPAIRS AND MAINTENANCE; SURRENDER. Landlord, at its sole cost and expense, 12. shall perform during the Term of this Lease and any extension or renewal thereof all necessary maintenance and repairs with respect to the structure and the exterior surfaces and components of the Building, the roof and roof membranes, exterior walls, floors, foundations, supports, any skylights and roof vents, drains, and downspouts; repairs and replacement of the common mechanical and utility systems situated on or serving the Premises as well as other portions of the Building, including, without limitation, common heating, ventilating, air conditioning, lighting, electrical, plumbing, gas, water supply, sanitary sewers and septic systems, storm sewers and storm water drainage systems, sprinkler systems, and communications lines; the substructure, all periodic repaying and any patching and pothole maintenance of the yard, parking, drive and other hard-surfaced areas comprising a portion of the Property, together with curbs and walkways; and subject to Tenant's obligations set forth in this Section 12, all interior portions of the Building as well as all common areas and exterior portions of the Property. The costs of the foregoing shall be includable as Operating Expenses. Tenant shall repair and maintain the interior of the Premises, all fixtures and equipment therein, all partitions, the interior of all doors, door frames, thresholds, doorways, and transitions into the common areas (even if located outside the Premises) leading up to the point of entry of the Premises, and all utility systems and equipment exclusively serving the Premises, all at its sole cost and expense during the Term, and shall keep the same clean and in reasonably good order, condition, and repair. In the event that Tenant fails to comply with the obligations set forth in this Section, Landlord may, but shall not be obligated to, perform any such obligation on behalf of, and for the account of Tenant, and Tenant shall reimburse Landlord for all costs and expenses paid or incurred on behalf of Tenant in connection with performing the obligations set forth herein. Tenant expressly waives the right to make repairs at Landlord's expense under any law, statute or ordinance now or hereafter in effect. Upon expiration of the Term, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises, together with all keys, to Landlord in as good condition as when received by Tenant from Landlord or as thereafter improved, reasonable wear and tear and insured casualty excepted, and Tenant shall remove at its sole cost and expense all of its personal property, cabling/wiring, and those Alterations and Tenant Improvements so designated by Landlord to be removed pursuant to Section 10 above and repair any damage caused to the Premises or the Building caused by such removal.

INSURANCE; WAIVER OF SUBROGATION. During the Term, Landlord shall maintain a 13. customary policy of all-risk property insurance on the Building and commercial general liability (CGL) insurance with coverages and limits as determined by Landlord in its discretion. Landlord's insurance costs and premiums may be includable as Operating Expenses pursuant to Section 7 above. During the Term, Tenant shall pay for and maintain (i) commercial general liability insurance with limits of \$1 million per occurrence, \$2 million general aggregate; (ii) worker's compensation insurance in compliance with federal, state and local law including Employer's Liability coverage (contingent liability/stop gap) in the amount of \$500,000 each accident, \$500,000 bodily injury by disease policy limit, and \$500,000 bodily injury each employee; (iii) property insurance covering its Alterations and any work or improvements constructed by Tenant pursuant to Exhibit "C," furniture, fixtures, equipment, inventory and other personal property located on the Premises in an amount of not less than one hundred percent (100%) insurable replacement value with no coinsurance penalty, "Special Form-Causes of Loss," with an Ordinance or Law endorsement, and replacement cost coverage to protect against loss of owned or rented equipment and tools brought onto or used at the Property by Tenant; and (iv) Business Income and Extra Expense coverage for a period of not less than twelve (12) months. All policies of insurance required to be carried hereunder by Tenant (1) shall be evidenced by an appropriate evidence of insurance (i.e., ACORD Forms); (2) shall be written by companies licensed to do business in the state of Washington; (3) shall be issued by insurance companies with an A.M. Best's financial strength rating of "A-" or better and an A.M. Best's Financial Size Category of Class "X" or higher; (4) be primary and non-contributing with respect to any policies carried by Landlord, be written on an "occurrence basis"--"claims made" forms of insurance are not acceptable, and contain a severability of interests clause; (5) list Landlord and its property manager as additional insureds utilizing ISO Endorsement CG 20 11 04 13 or

its equivalent--"certificate holder" status is not acceptable--; however, Landlord shall be listed as a "loss payee" as its interests may appear with respect to Tenant's property policies; and (6) shall not be subject to cancellation or material reduction in coverage except upon at least thirty (30) days' prior written notice to Landlord. Tenant's policies of insurance containing the terms specified herein or duly executed certificates evidencing them and appropriate endorsements, shall be deposited with Landlord prior to the earlier of the Commencement Date of this Lease or the date on which possession is first given to Tenant, and subsequently not less than thirty (30) days prior to the expiration of the original or any renewal term of such coverage. If Tenant fails to comply with the insurance requirements set forth in this Lease, Landlord shall have the right, but not the obligation, at any time and from time to time, following two (2) business days' notice to Tenant, to procure such insurance and/or pay the premium for such insurance, in which event Tenant shall repay Landlord, immediately upon demand by Landlord, as additional rent, all sums so paid by Landlord together with interest thereon and any costs or expenses incurred by Landlord in connection therewith, without prejudice to any other rights and remedies of the Landlord under this Lease. Landlord and Tenant hereby release each other and any other tenant, their agents or employees. from responsibility for, and waive their entire claim of recovery for any loss or damage arising from any cause covered by property insurance required to be carried or otherwise carried by each of them. Each party shall provide notice to the property insurance carrier or carriers of this mutual waiver of subrogation, and shall cause its respective property insurance carriers to waive all rights of subrogation against the other.

14. INDEMNIFICATION

Indemnification of Landlord. Tenant shall indemnify, protect, defend (with counsel 8 reasonably acceptable to Landlord) and hold harmless Landlord and each of Landlord's trustees, shareholders, officers, affiliates, employees, agents, attorneys, successors and assigns (collectively, "Landlord Indemnified Parties"), from all liabilities, judgments, costs, damages, claims or demands, including reasonable attorneys' fees, asserted by third parties for any loss of life, bodily or personal injury, or property damage caused by Tenant, Tenant's officers, members, partners, agents, volunteers, employees, sublessees, licensees, invitees and independent contractors, and all persons and entities claiming through any of these persons or entities (collectively, "Tenant Parties") and arising out of the use of the Premises by Tenant Parties, or out of anything done by Tenant, or permitted by Tenant to be done, in or about the Premises. Landlord need not first have paid any such expense in order to be so indemnified. Landlord agrees to notify Tenant promptly following Landlord's learning of any such claims; provided, however, that Landlord's failure to provide such notice shall not diminish Tenant's obligations hereunder. The foregoing shall not extend to any damage or injury which Tenant establishes in a court of competent jurisdiction was solely and proximately caused by the negligence or misconduct of any Landlord Parties (as defined below).

b. Indemnification of Tenant. Landlord shall indemnify, protect, defend (with counsel reasonably acceptable to Tenant) and hold harmless Tenant and each of Tenant's trustees, shareholders, officers, affiliates, employees, agents, attorneys, successors and assigns (collectively, "<u>Tenant Indemnified Parties</u>"), from all liabilities, judgments, costs, damages, claims or demands, including reasonable attorneys' fees, asserted by third parties for any loss of life, bodily or personal injury, or property damage caused by the gross negligence or willful misconduct of Landlord, Landlord's officers, members, partners, agents, volunteers, invitees, employees, or others acting for or on behalf of Landlord (collectively, "<u>Landlord Parties</u>") and arising out of the use or operation of the Property by Landlord Parties, or out of anything done by Landlord or Landlord Parties, or permitted by Landlord to be done, in or about the Property. Tenant need not first have paid any such expense in order to be so indemnified. Tenant agrees to notify Landlord promptly following Tenant's learning of any such claims; provided, however, that Tenant's failure to provide such notice shall not diminish Landlord's obligations hereunder. The foregoing shall not extend to any damage or injury which Landlord establishes in a court of

competent jurisdiction was solely and proximately caused by the negligence or misconduct of any Tenant Parties.

c. Industrial Insurance Waiver. It is further specifically and expressly understood that the indemnification provided herein constitutes the parties' waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purpose of this indemnification. This waiver has been mutually negotiated by the parties.

d. Survival. The indemnity obligations set forth under this Section 14 shall survive the expiration or earlier termination of this Lease.

15. ASSIGNMENT AND SUBLETTING. Notwithstanding anything to the contrary contained in this Lease, Tenant shall not assign this Lease or any interest herein or any right or privilege appurtenant hereto, or hypothecate, encumber, or otherwise grant any security interest in or to the Lease, the Premises, or any alterations, betterments, or improvements therein, or sublet, license, grant any concessions, or otherwise give permission to anyone other than Tenant to use or occupy all or any part of the Premises (hereinafter sometimes referred to as a "<u>Transfer</u>"), without the prior written consent of Landlord, which consent shall be in Landlord's sole discretion. Tenant shall remain primarily liable on its covenants hereunder unless released in writing by Landlord. In the event of any assignment or sublease which is consented to by Landlord, the transferee shall agree in writing to perform and be bound by all of the covenants of this Lease required to be performed by Tenant.

16. NO LIENS. Tenant is not authorized to subject the Landlord's estate to any liens or claims of lien. Tenant shall keep the Premises free from any liens created by or through Tenant. Tenant shall indemnify and hold Landlord harmless from liability for any such liens including, without limitation, liens arising from any Alterations. If a lien is filed against the Premises by any person claiming by, through or under Tenant, Tenant shall, within ten (10) days after Landlord's demand, at Tenant's expense, either remove the lien or furnish to Landlord a bond in form and amount and issued by a surety satisfactory to Landlord, indemnifying Landlord and the Premises against all liabilities, costs and expenses, including attorneys' fees, which Landlord could reasonably incur as a result of such lien(s).

17. ACCESS AND RIGHT OF ENTRY. Tenant shall permit Landlord and its agents, employees and contractors to enter the Premises at all reasonable times to make repairs it is required to make hereunder, as well as to perform inspections and for other purposes reasonably desired by Landlord, provided that Landlord shall not unreasonably interfere with Tenant's use and enjoyment of the Premises.

18. SIGNAGE. All of Tenant's signage shall be subject to Landlord's prior approval. Tenant shall repair any injury or damage to the Premises or exterior surfaces of the Building caused by such installation or removal upon the end of the Term. Landlord, at Landlord's cost, will provide standard building and suite-identity, and directory signage.

19. DESTRUCTION; CONDEMNATION.

a. Damage and Restoration. If the Premises are at any time destroyed or damaged by any casualty, Landlord may, at its option, to be exercised by written notice to Tenant within ninety (90) days following any such occurrence, elect to terminate this Lease. In the case of such election, the Term and tenancy created hereby shall expire on the thirtieth (30th) day after such notice is given, without liability or penalty payable or any other recourse by one party to or against the other; and Tenant shall, within such 30-day period, vacate the Premises and surrender them to Landlord. If Landlord does not elect to terminate this Lease, Landlord shall, following such destruction or damage, commence diligently to reconstruct, rebuild, or repair, if necessary, the Premises (excluding any Alterations and any work or improvements constructed by Tenant pursuant to Exhibit "C") and that part of the Property which is

necessary, in Landlord's sole but reasonable judgment, to create an economically viable unit (collectively, the "Landlord's Restoration Work"). Further, if Landlord elects to repair, reconstruct, or rebuild the Property, or any part thereof, Landlord may use plans, specifications, and working drawings other than those used in the original construction of the Property. To the extent Landlord receives proceeds of Business Income/rent loss insurance, Tenant's Base Monthly Rent shall abate proportionately to the portion of the Premises rendered untenantable from the date of the casualty until the earlier of (i) the date on which Landlord exercises any right it has under this Section to terminate this Lease due to an event of casualty, or (ii) the date on which Landlord has substantially completed Landlord's Restoration Work. If this Lease has not been terminated after damage or destruction as provided above, then all proceeds of Tenant's insurance relating to reconstruction of the remainder thereof shall be used by Tenant towards Tenant's Restoration Work described below. Upon receipt by Tenant of written notice that Landlord's Restoration Work has been substantially completed, Tenant shall forthwith complete all other work required to fully restore the Premises for business fully fixturized, stocked, and staffed ("Tenant's Restoration Work"). Notwithstanding anything set forth to the contrary herein, in the event the Premises or the Property are damaged as a result of any cause in respect of which there are no insurance proceeds available to Landlord, or the proceeds of insurance are insufficient in Landlord's commercially reasonable judgment to pay for the costs of repair or reconstruction, or any mortgagee or other person entitled to the proceeds of insurance does not consent to the payment to Landlord of such proceeds to fully restore the Premises or the Property, or if the Premises or the Property cannot be fully restored to its prior condition under land use, zoning, and building codes in force at the time a permit is sought for repair or reconstruction, then Landlord may, without obligation or liability to Tenant, terminate this Lease within ninety (90) days after the date of the casualty and all rent shall be adjusted as of the effective date of such termination, which shall be thirty (30) days after the date of Landlord's notice, and Tenant shall vacate and surrender the Premises on the effective date of termination. Tenant hereby waives any statutory and common law rights of termination which may arise by reason of any partial or total destruction of the Premises which Landlord is obligated to restore or may restore under any of the provisions of this Lease.

b. **Condemnation**. If there is any taking or condemnation of or transfer in lieu thereof for a public or quasi-public use of all or substantially all of the Property, the Building, or the Premises because of the exercise or settlement due to threatened exercise of the power of eminent domain or inverse condemnation, whether by condemnation proceedings or otherwise (all of the foregoing being hereinafter referred to as "taking") before or during the Term hereof, this Lease shall terminate as of the date of such taking. All Base Monthly Rent and other amounts due under this Lease shall be paid by Tenant to the date of such termination. If only part of the Premises is taken, then each party shall have the right, exercisable by written notice given to the other party within thirty (30) days after the date of the taking, to terminate this Lease if, in the commercially reasonable judgment of such party, the remainder of the Premises will be rendered unsuitable for the continued use thereof for the purposes for which it was intended, and in the event of such termination, all Base Monthly Rent and other amounts due under this Lease shall be paid by Tenant to the date of such termination. If only part of the Premises is taken and neither party so terminates, then this Lease shall, only as to the part so taken, terminate as of the date title shall vest in the condemnor or transferee, and the Base Monthly Rent payable hereunder shall be reduced by the proportion which the floor area taken from the Premises bears to the total area of the Premises immediately before the taking, and this Lease shall remain in force as to the remainder of the Premises. If all or a portion of the common area is taken such that, in the commercially reasonable judgment of Landlord, the Building or the Property will be rendered unsuitable for the continued use thereof for the purposes for which it was intended, Landlord may elect to terminate this Lease by giving Tenant written notice of such election within thirty (30) days after the date that title to the portion so taken vests in the condemnor or transferee, and in the event of such termination, all Base Monthly Rent and other amounts due under this Lease shall be paid by Tenant to the date of such termination. If Landlord fails to so terminate, then this Lease shall remain in full force and effect, and the rent payable hereunder shall not be reduced, nor shall Tenant be entitled to any part of the award made therefor. If this Lease is not terminated as provided in this Section, Landlord shall, at its sole expense, restore with due diligence the

remainder of the Premises and common areas, and Tenant, at its sole cost and expense, shall restore its furniture, fixtures, and equipment necessary to re-open for business at the Premises as soon as reasonably possible thereafter. In the event of any taking, Landlord shall be entitled to the entire award of compensation or settlement in such proceedings, whether for a total or partial taking or for diminution in the value of the leasehold or for the fee. Any such amounts shall belong to and be the property of Landlord. Without in any way diminishing the rights of Landlord under the preceding sentence, Tenant shall be entitled to recover from the condemnor such compensation as may be separately awarded by the condemnor to Tenant or recoverable from the condemnor by Tenant in its own right for the taking of trade fixtures and equipment owned by Tenant (meaning personal property, whether or not attached to real property, which may be removed without injury to the Premises) and for the expense of removing and relocating them, and for loss of goodwill, but only to the extent that the compensation awarded to Tenant shall be in addition to and shall not diminish the compensation awarded to Landlord as provided above. Tenant hereby waives any statutory and common law rights of termination which may arise by reason of any partial taking of the Premises under the power of eminent domain.

20. DEFAULT. The following occurrences shall each be deemed an "<u>Event of Default</u>" by Tenant. Any notice periods granted herein shall be deemed to run concurrently with and not in addition to any default notice periods required by law.

a. Failure To Pay. Tenant fails to pay any sum, including Rent, due under this Lease following three (3) days' written notice from Landlord of the failure to pay.

b. Insolvency. Tenant becomes insolvent, voluntarily or involuntarily bankrupt, or a receiver, assignee or other liquidating officer is appointed for Tenant's business, provided that in the event of any involuntary bankruptcy or other insolvency proceeding, the existence of such proceeding shall constitute an Event of Default only if such proceeding is not dismissed or vacated within sixty (60) days after its institution or commencement.

c. Failure to Obtain Insurance. Tenant fails to obtain or maintain any policy of insurance required to be carried by it hereunder, and such failure continues for a period of three (3) business days after notice by Landlord to Tenant of the breach.

d. Other Non-Monetary Defaults. Tenant breaches any agreement, term or covenant of this Lease other than one requiring the payment of money and not otherwise enumerated in this Section or elsewhere in this Lease, and the breach continues for a period of 30 days after notice by Landlord to Tenant of the breach.

21. LANDLORD'S REMEDIES. Landlord shall have the following remedies upon an Event of Default. Landlord's rights and remedies under this Lease shall be cumulative, and none shall exclude any other right or remedy allowed by law.

a. Termination of Lease. Landlord may terminate Tenant's interest under the Lease, but no act by Landlord other than written notice of termination from Landlord to Tenant shall terminate this Lease. The Lease shall terminate on the date specified in the notice of termination. Upon termination of this Lease, Tenant will remain liable to Landlord for damages in an amount equal to the rent and other sums that would have been owing by Tenant under this Lease for the balance of the Term, less the net proceeds, if any, of any re-letting of the Premises by Landlord subsequent to the termination, after deducting all Landlord's Reletting Expenses (as defined below). Landlord shall be entitled to either collect damages from Tenant monthly on the days on which rent or other amounts would have been payable under the Lease, or alternatively, Landlord may accelerate Tenant's obligations under the Lease and recover from Tenant: (i) unpaid rent which had been earned at the time of termination; (ii) the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the fair market rental value of the Premises; (iii) the amount by which the unpaid rent for the balance of the term of the Lease after the time of award exceeds the fair market rental value of the Premises (discounting such amount by the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus 1%); and (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under the Lease, or which in the ordinary course would be likely to result from the Event of Default, including, without limitation, Reletting Expenses described below. Landlord shall use commercially reasonable efforts to mitigate its damages in the event of any Event of Default by Tenant hereunder.

Re-Entry and Reletting; Default Interest. Landlord may continue this Lease in full b. force and effect, and without demand or notice, re-enter and take possession of the Premises or any part thereof, expel the Tenant from the Premises and anyone claiming through or under the Tenant, and remove the personal property of either. Landlord may relet the Premises, or any part of them, in Landlord's or Tenant's name for the account of Tenant, for such period of time and at such other terms and conditions, as Landlord, in its discretion, may determine. Landlord may collect and receive the rents for the Premises. To the fullest extent permitted by law, the proceeds of any reletting shall be applied: first, to pay Landlord all costs and expenses of such reletting (including, without limitation, costs and expenses incurred in retaking or repossessing the Premises, removing persons or property therefrom, securing new tenants, and, if Landlord maintains and operates the Premises, the costs thereof); second, to pay any indebtedness of Tenant to Landlord other than rent; third, to the rent due and unpaid hereunder; and fourth, the residue, if any, shall be held by Landlord and applied in payment of other or future obligations of Tenant to Landlord as the same may become due and payable, and Tenant shall not be entitled to receive any portion of such revenue. Re-entry or taking possession of the Premises by Landlord under this Section shall not be construed as an election on Landlord's part to terminate this Lease, unless a written notice of termination is given to Tenant. Landlord reserves the right following any re-entry or reletting, or both, under this Section to exercise its right to terminate the Lease. 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, after deducting Landlord's Reletting Expenses. "Reletting Expenses" is defined to include all expenses incurred by Landlord in connection with reletting the Premises, including, without limitation, all repossession costs, brokerage commissions, attorneys' fees, remodeling and repair costs, costs for removing and storing Tenant's property and equipment, and tenant improvements and rent concessions granted by Landlord to any new Tenant, prorated over the life of the new lease.

22. MORTGAGE SUBORDINATION AND ATTORNMENT. Unless otherwise required by a lender, this Lease shall be subordinate to any mortgage or deed of trust held by any lender, now or hereafter in force against the Premises, the Building, or the Property, or any part thereof, and to all advances made or to be made upon the security thereof, provided that, with respect to subsequent liens, Landlord procures from the mortgagee or lienholder an agreement for the benefit of Tenant and such mortgagee stating in part that, so long as Tenant discharges the obligations on its part to be kept and performed under the terms of this Lease, its tenancy will not be disturbed and the Lease will be recognized. If any proceedings are brought for foreclosure, or in the event of the exercise of the power of sale under any mortgage or deed of trust made by Landlord, Tenant shall, at the option of the lender or other purchaser at any such foreclosure or sale, attorn to and recognize the purchaser as the Landlord under this Lease. Although this subordination shall be self-operating, Tenant agrees, within ten (10) days following the request of Landlord, to execute an agreement as may be reasonably requested by Landlord or its lender(s) to confirm such subordination and the other provisions of this Section.

23. ESTOPPEL CERTIFICATES; FINANCIAL STATEMENTS. Tenant shall, at any time and from time to time within ten (10) days after written request therefor by Landlord, without charge, deliver

a certificate to Landlord or to any person or entity designated by Landlord, certifying the date the Lease Term commenced, the date the rent commenced and is paid through, the amount of rent and other charges due under the Lease, the expiration date of the Term, that this Lease is then in full force and effect, setting forth the amount and nature of modifications, defenses, or offsets, if any, claimed by Tenant, and any other factual matter concerning the Lease, the Tenant, or the Premises requested by Landlord or such person or entity. Within ten (10) days from request by Landlord, Tenant will make available to Landlord or to any prospective purchaser or lender of the Building or the Property, audited financial statements of Tenant and any guarantor, provided that Landlord or any such prospective purchaser or lender agrees to maintain such statements and information in confidence, and provided further that if audited financial statements of Tenant are not available at the time of such request, Tenant may deliver unaudited statements prepared in accordance with generally accepted accounting principles consistently applied and certified to be true and correct by Tenant's chief financial officer.

24. ATTORNEYS' FEES. If either party hereto shall file any action or bring any proceeding against the other party arising out of this Lease or for the declaration of any rights hereunder, the prevailing party therein shall be entitled to recover from the other party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party as determined by the court. If either party ("secondary party") without its fault is made a party to litigation instituted by or against the other party, the primary party shall pay to the secondary party all costs and expenses, including reasonable attorneys' fees, incurred by the row party all costs and expenses, including reasonable attorneys is a party to litigation instituted by or against the other party, the primary party shall pay to the secondary party all costs and expenses, including reasonable attorneys' fees, incurred by the secondary party in connection therewith.

25. QUIET ENJOYMENT. So long as Tenant pays the Rent and performs all of its obligations in this Lease, Tenant's possession of the Premises will not be disturbed by Landlord or anyone claiming by, through or under Landlord.

26. NOTICES. Any notices and other communications to be delivered by either party to the other pursuant to this Lease shall be in writing and shall be deemed delivered as follows, except as otherwise specifically provided in this Lease: (a) when hand delivered; (b) one (1) business day after mailing by FedEx or other overnight courier service; (c) three (3) business days after deposit in the United States mail by registered or certified mail, postage prepaid, return receipt requested, or (d) when sent by electronic mail transmission, provided, that such transmission occurs prior to 5:00 p.m. Pacific Time, on a business day (if any notice is transmitted by electronic transmission after 5:00 p.m. Pacific Time or on a non-business day, then such notice shall be deemed transmitted or deposited, as applicable, on the succeeding business day), addressed to the party to be charged with notice at the addresses provided in Section 1 above or such other address as either party from time to time may designate by notice delivered to the other in the manner provided herein. Except as otherwise specifically provided herein, in the computation of any period of time which shall be required or permitted hereunder or under any law for any notice or other communication or for the performance of any term, condition, covenant or obligation, the day from which such period runs shall be excluded and the last day of such period shall be included unless it is a Saturday, Sunday or legal holiday, in which case the period shall be deemed to run until the end of the next day which is not a Saturday, Sunday or legal holiday.

27. HAZARDOUS MATERIAL. As used herein, the term "Hazardous Material" means any hazardous, dangerous, toxic or harmful substance, material or waste including biomedical waste which is or becomes regulated by any local governmental authority, the State of Washington or the United States Government, due to its potential harm to the health, safety or welfare of humans or the environment. 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, the Building, or the Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, except with Landlord's prior consent and then only upon strict compliance with all applicable federal, state and local laws, regulations, codes and ordinances. If Tenant breaches the obligations stated in the preceding sentence, then Tenant shall indemnify, defend and hold Landlord harmless from any and all claims,

judgments, damages, penalties, fines, costs, liabilities or losses including, without limitation, diminution in the value of the Premises, Building, or Property; damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises, the Building, or the Property, or elsewhere; damages arising from any adverse impact on marketing of space at the Premises, the Building or the Property and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees incurred or suffered by Landlord either during or after the Term. This indemnification by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work, whether or not required by any federal, state or local governmental agency or political subdivision, because of Hazardous Material present in the Premises, the Building, or the Property or in soil or ground water on or under the Premises, the Building, or the Property. Tenant shall immediately 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. Without limiting the foregoing, if the presence of any Hazardous Material brought upon, kept or used in or about the Premises, the Building, or the Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, results in any unlawful release of any Hazardous Material on the Premises, the Building, or the Property, Tenant shall promptly take all actions, at its sole expense, as are necessary to return the Premises, the Building and the Property to the condition existing prior to the release of any such Hazardous Material; provided that Landlord's approval of such actions shall first be obtained, which approval may be withheld at Landlord's sole discretion. The provisions of this Section shall survive expiration or termination of this Lease.

28. HOLDING OVER. If Tenant fails to surrender the Premises at the expiration or earlier termination of this Lease over Landlord's objection given in accordance with Section 3(a) above, occupancy of the Premises after the termination or expiration shall be that of a tenancy at sufferance. Tenant's occupancy of the Premises during the holdover shall be subject to all the terms and provisions of this Lease and Tenant shall pay an amount (on a per month basis without reduction for partial months during the holdover) equal to 150% of the sum of the Base Monthly Rent and all additional rent due for the period immediately preceding the holdover. No holdover by Tenant or payment by Tenant after the expiration or early termination of this Lease shall be construed to extend the Term or prevent Landlord from immediate recovery of possession of the Premises by summary proceedings or otherwise. In addition to the payment of the amounts provided above, if Landlord is unable to deliver possession of the Premises to a new tenant, or to perform improvements for a new tenant, as a result of Tenant's holdover, Tenant shall be liable to Landlord for all damages, including, without limitation, consequential damages, that Landlord suffers from the holdover. Nothing herein shall be construed as consent to such holding over.

29. RULES AND REGULATIONS. Tenant shall comply with the rules and regulations that the Landlord may from time to time promulgate and/or modify, including those rules and regulations attached hereto as Exhibit "D" ("<u>Rules and Regulations</u>"). Landlord shall not be responsible to Tenant for the nonperformance of the Rules and Regulations by any other tenants of the Building or the Property.

30. GENERAL.

a. Heirs and Assigns. This Lease shall apply to and be binding upon Landlord and Tenant and their respective heirs, executors, administrators, successors and assigns.

b. Entire Agreement. This Lease contains all of the covenants and agreements between Landlord and Tenant relating to the Premises. No prior or contemporaneous agreements or understanding pertaining to the Lease shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or added to except in writing signed by Landlord and Tenant.

c. Severability. Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision of this Lease.

d. Authority. Each party represents and warrants that it has the full power, authority, and legal right to execute and deliver this Lease on behalf of such party and that this Lease constitutes the legal, valid, and binding obligations of such party, its heirs, representatives, successors and assigns, enforceable against such party or parties in accordance with its terms.

e. 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 control, including, without limitation, fires, floods, earthquakes, lockouts, strikes, embargoes, governmental regulations, acts of God, public enemy, pandemic, epidemic, war or other strife; provided in no event shall any of the foregoing events operate to extend the Term of this Lease.

f. Governing Law; Venue; Waiver of Jury Trial. This Lease shall be governed by and construed in accordance with the laws of the State of Washington. TENANT HEREBY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES HERETO ON ANY MATTERS WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS LEASE, INCLUDING, WITHOUT LIMITATION, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES, OR ANY CLAIM OF INJURY OR DAMAGE, OR THE ENFORCEMENT OF ANY REMEDY UNDER ANY LAW, STATUTE, OR REGULATION.

Landlord Defaults; Limitation of Liability. In the case of a default by Landlord, g. Landlord shall commence promptly to cure such default immediately after receipt of written notice from Tenant specifying the nature of such default and shall complete such cure within thirty (30) days thereafter, provided that if the nature of such default is such that it cannot be cured within said thirty (30)day period, Landlord shall have such additional time as may be reasonably necessary to complete its performance, so long as Landlord has proceeded with diligence after receipt of Tenant's notice and is then proceeding with diligence to cure such default. The obligations of Landlord and Tenant, respectively, under this Lease are expressly agreed by the parties to be independent covenants. If Landlord fails to perform any obligation under this Lease required to be performed by Landlord, then, except to the extent otherwise stated in this Lease, Tenant shall have no right to: (i) terminate this Lease; (ii) avail itself of self-help or to perform any obligation of Landlord; (iii) abate or withhold any rent or any other charges or sums payable by Tenant under this Lease; or (iv) any right of setoff. The Premises and/or Landlord's interest under this Lease may be freely sold or assigned by Landlord, and in the event of any such sale or assignment, then, from and after the effective date of such conveyance, Landlord shall be released and discharged from any and all further obligations and responsibilities under this Lease, and the transferee shall be deemed, without any further agreement between the parties or their successors in interest or between the parties and any such transferee, to have assumed and agreed to carry out any and all of the subsequent covenants and obligations of the Landlord under this Lease. Any security given by Tenant to secure performance of its obligations hereunder may be transferred and assigned by Landlord to such transferee. If Landlord is in default hereunder, and as a consequence Tenant recovers a money judgment against Landlord, such judgment shall be satisfied only out of the proceeds of sale received on execution of the judgment and levy against the right, title and interest of Landlord in the Property, and out of rent or other income from the Property receivable by Landlord or out of the consideration received by Landlord from the sale or other disposition of all or any part of Landlord's right, title and interest in the Property. Neither Landlord, nor any agent, officer, director, partner or employee of Landlord shall be personally liable for any portion of such a judgment. If at any time the holder of Landlord's interest hereunder is a partnership, limited liability company or joint venture, a deficit in the capital account of any partner,

member or joint venturer shall not be considered an asset of such partnership, limited liability company or joint venture.

h. No Waiver. The failure of Landlord or Tenant to insist upon strict performance of any of the terms, conditions, covenants and obligations contained in this Lease shall not be deemed a waiver of any rights or remedies for any subsequent breach or default in the terms, conditions, covenants and obligations herein contained.

i. **Counterparts**. This Lease may be executed in two (2) or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

j. Brokers. Tenant represents and warrants to Landlord that, other than any brokers referenced in Section 1 above, it has not employed any broker with regard to this Lease and that it has no knowledge of any other broker being instrumental in bringing about this Lease transaction. Tenant shall indemnify Landlord against any expense incurred by Landlord as a result of any claim for brokerage or other commissions made by any other broker, finder, or agent, whether or not meritorious, employed by Tenant or claiming by, through or under Tenant. Any fees or commissions to be paid by Landlord to any brokers in connection with this Lease shall be set forth in a separate written commission agreement.

k. Guarantor. [Intentionally Omitted]

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have executed this Lease the day and year first above written.

LANDLORD:

TOGETHER CENTER, a Washington nonprofit corporation

By: Name: Kim Sarnecki Its: Chief Executive Officer

TENANT:

A Regional Coalition for Housing (ARCH) By the City of Bellevue, its Administering Agency

STATE OF WASHINGTON SS. COUNTY OF

I certify that I know or have satisfactory evidence that ______ is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the of _____, a _____, to be the free and voluntary act of such entity for the uses and purposes mentioned in the instrument.

Dated this ______ day of ______, 20__.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary) Notary public in and for the state of Washington, residing at My appointment expires

STATE OF WASHINGTON

COUNTY OF

SS.

I certify that I know or have satisfactory evidence that ______ is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the of _____, a _____, to be the free and voluntary act of such entity for the uses and purposes mentioned in the instrument.

Dated this day of , 20.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary) Notary public in and for the state of Washington, residing at My appointment expires

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

The East half of that portion of Section 2, Township 25 North, Range 5 East, W.M., in King County, Washington, described as follows:

Beginning on the East line of said Section 2 at a point 844.8 feet South of the East quarter corner; Thence South along said east line, 200 feet;

Thence West 1320 feet, more or less, to the West line of the Northeast quarter of the Southeast quarter of said Section;

Thence Northerly 200 feet along said West line;

Thence East 1320 feet, more or less, to the point of beginning;

EXCEPT that portion lying within the Primary State Highway Number 2 (164th Avenue Northeast) as conveyed by Deed recorded under Recording Number 1008759;

EXCEPT that portion conveyed to the City of Redmond for Northeast 87th Street by deed recorded under Recording Number 7205310415;

EXCEPT that portion, if any, lying within the plat of Watson's Addition to Redmond, according to the plat thereof recorded in Volume 112 of Plats, pages 95 and 96, in King County, Washington.

EXHIBIT B

DEPICTION OF THE PREMISES

[See Attached]

EXHIBIT B

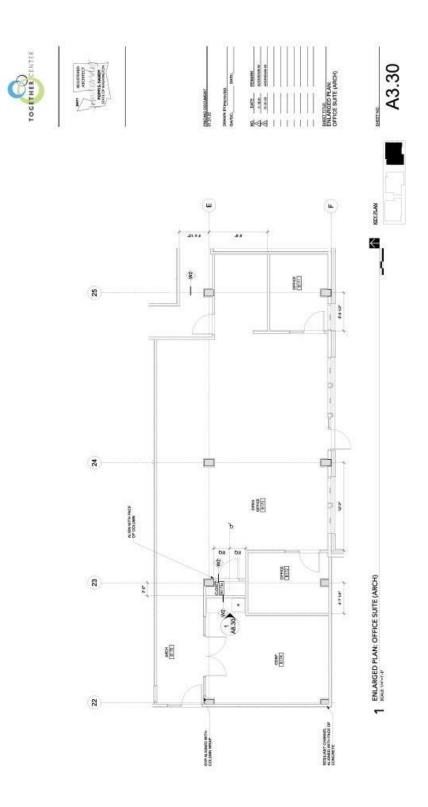


EXHIBIT B

VOCE NE ETS Rectrone, WA 90057

EXHIBIT C

WORK LETTER AGREEMENT

LANDLORD PERFORMING TENANT IMPROVEMENTS

1. TERMS OF AGREEMENT

1.1 <u>Terms of Agreement</u>. The terms of this Work Letter Agreement ("<u>Agreement</u>") shall be part of the Lease and all undefined terms in this Agreement shall be as defined in the Lease.

1.2 <u>Conflict</u>. In the event of a conflict between this Agreement and the remaining provisions of the Lease, the remaining provisions of the Lease shall control.

Construction Representatives. Tenant hereby appoints Mari Al-Khazraji, City of 1.3 Bellevue, Finance and Asset Management Division, to act on its behalf and represent its interests with respect to all matters requiring Tenant action in this Exhibit. Tenant may change its representative at any time upon not less than five (5) business days' advance written notice to Landlord. Neither Tenant nor Tenant's representative shall be authorized to direct Landlord's contractors in the performance of the Tenant Improvements defined below. All matters requiring the consent, authorization or other actions by Tenant with respect to matters set forth in this Exhibit shall be in writing and signed by the aforementioned person. No consent, authorization, or other action by Tenant with respect to the matters set forth in this Exhibit shall bind Tenant unless in writing and signed by the aforementioned person. Landlord hereby appoints Kim Sarnecki to act on its behalf and represent its interests with respect to all matters requiring Landlord action in this Exhibit. Landlord may change its representative at any time upon not less than five (5) business days' advance written notice to Tenant. All matters requiring the consent, authorization or other actions by Landlord with respect to matters set forth in this Exhibit shall be in writing and signed by the aforementioned person. No consent, authorization, or other action by Landlord with respect to the matters set forth in this Exhibit shall bind Landlord unless in writing and signed by the aforementioned person.

2. LANDLORD'S WORK

2.1 <u>Landlord's Work</u>. Except for Landlord's Work described in this Section 2.1, and the Tenant Improvements described in this Agreement, Tenant shall take the Premises in an "as is" condition.

2.1.1 <u>Payment of Cost of Landlord's Work</u>. Landlord shall pay all costs for those items necessary to complete the Landlord's Work, except as provided in Section 2.1.2 below.

2.1.2 <u>Changes To Landlord's Work</u>. All extra work or change orders requested by Tenant to the Landlord's Work shall be made in writing, shall specify the amount of delay and shall specify any added cost. The extra work or change order shall become effective and a part of the Landlord's Work once approved in writing by both parties. Tenant shall be responsible for the costs of all extra work or change orders to the Landlord's Work, including, without limitation, all costs to make necessary changes to the Approved Plans (defined below), all costs for additional permitting or inspections, all costs for any required demolition, all costs to construct such extra/changed work, and all costs and lost Rent due to any delay in the delivery date or other delays in Landlord's construction schedule, and Tenant shall pay such costs to Landlord within ten (10) days after Landlord's demand. Such amounts payable to Landlord shall be deemed Rent.

EXHIBIT C

2.1.3 <u>Delay</u>. The delivery date may be delayed because of, among other things: (a) the failure of Tenant to furnish all or any plans, drawings, specifications, finish details or the other information required under this Exhibit; (b) Tenant's failure to timely review and approve or make comments to plans submitted by Landlord for the Landlord's Work within the required timeframes set forth herein; (c) extra work or change orders requested by Tenant, even if approved by Landlord; or (d) interference with Landlord's Work caused by Tenant or its vendors or contractors (collectively "<u>Tenant Delays</u>"). It is the intent of the parties hereto that the delivery date not be delayed by any such Tenant Delay, and in the event the delivery date is so delayed, then the delivery date shall be deemed to be the date it would otherwise have been absent said Tenant Delay. Tenant Delays in excess of thirty (30) days for any of the above-mentioned reasons may affect Landlord's financing of construction of the Premises and Tenant agrees to pay any reasonable additional financing costs, including loan fees, incurred by Landlord as a result thereof.

3. TENANT IMPROVEMENTS

3.1 The term "<u>Tenant Improvements</u>" shall mean those improvements that Landlord is obligated to construct in the Premises pursuant to plans and specifications developed in accordance with this Agreement.

The term "Tenant Improvement Costs" shall include but not be limited to all sums (1) 3.2 paid to contractors for labor and materials furnished in connection with construction of the Tenant Improvements pursuant to this Agreement, including the cost of general conditions; (2) all costs, expenses, payments, fees, and charges whatsoever paid or incurred by Landlord to or at the direction of any city, county, or other governmental authority or agency which are required to be paid by Landlord in order to obtain all necessary governmental permits, licenses, inspections and approvals relating to the construction of the Tenant Improvements and the use and occupancy of the Premises, including, without limitation, all in lieu fees and utility fees; (3) engineering and architectural fees for services required in connection with the design and construction of the Tenant Improvements; (4) premiums, if any, for course of construction insurance and for payment and completion bonds relating only to construction of the Tenant Improvements; (5) costs to modify of upgrade base Building systems and improvements triggered by the Tenant Improvements; (6) sales taxes; and (7) as-built record documentation. Tenant shall be solely responsible for all costs for acquisition and installation of removable trade fixtures, equipment, workstations or other furniture, moving costs, costs to acquire and install cabling and inventory, costs to acquire or fabricate signage, and "branding" requirements.

4. PROCEDURE AND TIME SCHEDULES.

4.1 <u>Approval of Plans</u>.

4.1.1 <u>Plans</u>. Landlord shall prepare and submit to Tenant for Tenant's approval the plans, specifications and drawings ("<u>Plans</u>") for the Tenant Improvements to be constructed on the Premises. Such Plans are attached hereto as Exhibit "C-1." Tenant shall indicate its approval or disapproval of the Plans to Landlord in writing, as more particularly set forth in the attached Exhibit "C-1." Tenant's failure to indicate its disapproval in the time period set forth therein shall be deemed approval. Tenant's approval of the Plans shall not be unreasonably withheld, conditioned or delayed.

4.1.2 <u>Approved Plans</u>. Landlord shall submit such Plans to all appropriate governmental agencies for necessary permits and approvals. All changes required by governmental agencies shall be deemed acceptable to Tenant unless Tenant's use of the Premises is materially impaired thereby. The final plans, specifications and working drawings as approved by appropriate governmental agencies, and all change orders specifically permitted under this Agreement, shall be referred to herein as the "<u>Approved Plans</u>."

4.2 <u>Contractors</u>. The Tenant Improvements shall be constructed by a Washington licensed contractor selected in Landlord's discretion. All parties shall use their good faith efforts to complete the preparation and approval of the Approved Plans so that construction contracts may be executed to ensure prompt completion of the Tenant Improvements.

4.3 <u>Changes To Approved Plans for Tenant Improvements</u>. Once the Approved Plans have been approved by Landlord and Tenant as provided above, then thereafter neither party shall have the right to order extra work or change orders with respect to the construction of the Tenant Improvements without the prior written consent of the other, which consent shall not be unreasonably withheld or delayed. All extra work or change orders requested by either Landlord or Tenant shall be made in writing, shall specify the amount of delay or the time saved, shall specify any added or reduced cost, shall specify which party shall pay such costs and the manner of payment and shall become effective and a part of the Approved Plans once approved in writing by both parties.

4.4 <u>Commencement and Completion of the Tenant Improvements</u>. As soon as (1) the Approved Plans have been developed, and (2) all necessary governmental approvals have been obtained, then Landlord shall thereafter commence construction of such Tenant Improvements and shall diligently prosecute such construction to completion. The Tenant Improvements shall be constructed by Landlord substantially in accordance with the Approved Plans, and in compliance with all applicable regulations, ordinances, building codes, and statutes of lawful governmental authority.

4.5 <u>Payment of Cost of Tenant Improvements</u>. Landlord shall first pay all Tenant Improvement Costs for those items necessary to complete the Tenant Improvements in accordance with the Approved Plans; provided, however, Tenant shall pay the costs of any Tenant extra work (beyond the scope of the Plans) or change orders. Landlord shall submit bills to Tenant in such amounts and at such times as bills are submitted to Landlord and Tenant shall pay such costs to Landlord within ten (10) days after receipt. Such amounts payable to Landlord shall be deemed Rent.

4.6 <u>Delivery of Possession</u>. When the Tenant Improvements are substantially completed, Landlord and Tenant shall together walk through and inspect the Premises and Tenant Improvements so completed (which inspection shall include the testing of all utility facilities, lighting, HVAC equipment, and other service equipment affecting the Premises, and an inspection of all ceilings, walls, and floors) using their commercially reasonable efforts to discover all uncompleted or defective construction. After such inspection has been completed, a list of "punchlist" items shall be prepared by Landlord which the parties agree are to be corrected by Landlord. Landlord shall use commercially reasonable efforts to complete and/or repair such "punchlist" items within thirty (30) days. Tenant's taking possession of the Premises shall be deemed to be an acceptance by Tenant of the Premises as complete and in accordance with the terms of this Lease, subject to completion of the punchlist items within said period.

Landlord Initials:

Tenant Initials:

EXHIBIT C-1

THE PLANS

[See Attached]

EXHIBIT C

EXHIBIT D

TOGETHER CENTER REDMOND, WASHINGTON

RULES AND REGULATIONS Rev. May 2022

The following rules and regulations (these "<u>Rules and Regulations</u>") are hereby made a part of the Commercial Lease Agreement (the "<u>Lease</u>") entered into between Landlord and Tenant, and Tenant agrees that Tenant's employees and agents, or any others permitted by Tenant to occupy or enter the Premises, will at all times abide by these Rules and Regulations, unless otherwise specified or provided for in the Lease. Terms used but not defined herein shall have the meanings set forth in the Lease.

- 1. The sidewalks, halls, passages, exits, entrances, and stairways of the Premises shall not be obstructed by Tenant, or Tenant's agents, employees or volunteers, or used for any purpose other than for ingress to and egress from their Premises. The halls, passages, exits, entrances, and stairways are not for the general public, and Landlord shall in all cases retain the right to control and prevent access to them by all persons whose presence in the judgment of Landlord would be prejudicial to the safety, character, reputation, and interests of the Building and its tenants. Tenant shall not place any objects, including antennas, outdoor furniture, etc., in the parking areas, landscaped areas or other areas outside of the Premises, or on the roof of the Building. Tenant and Tenant's agents, employees or volunteers shall not have access to the roof of the Building without Landlord's prior written consent.
- 2. A sign, placard, picture, name, advertisement, or notice visible from the exterior of Tenant's Premises shall not be inscribed, painted, affixed, or otherwise displayed on any part of the Building without the prior written consent of Landlord. Landlord will adopt and furnish to tenants general guidelines relating to the Building signage. Tenant shall conform to these guidelines, but may request approval of Landlord of modifications, which will not be unreasonably withheld. Approved signs shall be printed, painted, affixed, or inscribed at the expense of Tenant by a contractor or individual approved by Landlord, which will not be unreasonably withheld. Landlord shall have the right to remove all non-permitted signage without notice to Tenant.
- 3. The Premises shall not be used for the storage of merchandise held for sale to the general public or for lodging. No cooking shall be done or permitted by Tenant on the Premises, except that (a) Tenant may establish and operate a lunchroom facility for use by Tenant's employees, (b) cooking may be permitted in the Together Center communal kitchen in the Mountain Building, and (c) Underwriter's Laboratory approved microwave ovens and equipment for brewing coffee, tea, hot chocolate, and similar beverages shall be permitted for use, provided that adequate provisions are made for venting and controlling of odors, and all facilities and equipment are used in accordance with all applicable federal, state, and city laws, codes, ordinances, rules, and regulations.
- 4. No person other than those approved by Landlord shall be permitted to enter the Premises to clean it. Tenant shall not cause any unnecessary labor because of carelessness or indifference in the

preservation of good order and cleanliness. Landlord shall not be responsible 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. Landlord shall be allowed admittance to the Premises in accordance with the provisions of the Lease. The janitor of the Building may at all times keep a pass key to the Premises if Landlord is providing janitorial services for the Premises.

- 5. Landlord will furnish Tenant with, free of charge, an electronic key for each staff person with contact information and photo on file with Landlord. A key will provide access to the main entrance(s) and to common areas on the Building. Landlord may make a reasonable charge for any additional/replacement keys. Tenant shall not alter any lock or install a new or additional lock or any bolt on any door of the Premises without the prior written consent of Landlord. Tenant shall in each case furnish Landlord with a key for any lock. Tenant, upon the termination of the tenancy, shall deliver to Landlord all keys to doors in the Premises that have been furnished to Tenant. Tenant shall notify Landlord when a staff person leaves employment and such key will be terminated by Landlord.
- 6. Any person or company employed to move equipment in or out of the Premises must be approved by Landlord. Landlord shall have the right to prescribe the weight, size, and position of all equipment, materials, furniture, or other property brought into the Premises or the Building. Heavy objects shall, if considered necessary by Landlord, stand on wood strips of a thickness necessary to properly distribute weight. Landlord will not be responsible for loss of or damage to any property from any cause, and all damage done to the Premises or the Building by moving or maintaining property shall be repaired at the expense Tenant.
- 7. Tenant shall not use or keep in the Premises or the Building any kerosene, gasoline, or inflammable or combustible fluid or material other than in limited quantities reasonably necessary for the operation or maintenance of office equipment, and may not, without Landlord's prior approval, use any method of heating or air conditioning other than that of the Building HVAC systems. Tenant shall not use or keep any foul, noxious, or hazardous gas or substance in the Premises, or permit or suffer the Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Premises or the Building because of noise, odors, or vibrations, or interfere in any way with other tenants or those having business in the Building.
- 8. Landlord reserves the right to exclude from the Premises between the hours of 6:00 p.m. and 6:00 a.m. and at all hours on Saturdays, Sundays, and legal holidays any person who does not present identification as a tenant or an employee of Tenant, or who does not otherwise present proper authorization by a tenant for access to the Premises or the Building. Tenant shall be responsible for all persons for whom it authorizes access and shall be liable to Landlord for all acts of these persons. Landlord shall in no case be liable for damages for any error with regard to the admission to or exclusion from the Premises of any person. In the case of invasion, mob, riot, public excitement, or other circumstances rendering an action advisable in Landlord's opinion, Landlord reserves the right to prevent access to the Premises or the Building during the continuances of the circumstance by action Landlord deems appropriate.
- 9. A wayfinding directory of the Premises will be provided to display the name and location of tenants. Any additional name that Tenant desires to add to the directory shall be subject to Landlord's approval and be subject to a charge.

- 10. No curtains, draperies, blinds, shutters, shades, screens, or other coverings, hangings, or decorations shall be attached to, hung, or placed in, or used in connection with any exterior window in the Building without the prior written consent of Landlord. If consented to by Landlord, these items shall be installed on the office side of the standard window coverings and shall in no way be visible from the exterior of the Premises.
- 11. Tenant shall see that the doors of the Premises are closed and locked and that all water faucets or apparatus, cooking facilities, and office equipment, excluding office equipment required to be operative at all times, are shut off before Tenant or Tenant's agents or employees leave the Premises at night, so as to prevent waste or damage. For any default or carelessness in this regard Tenant shall be responsible for any damage sustained by other tenants or occupants of the Premises or the Building, or damages sustained by Landlord.
- 12. The toilets, urinals, wash bowls, and other restroom facilities shall not be used for any purpose other than that for which they were constructed. No foreign substance of any kind shall be thrown in them, and the expense of any breakage, stoppage, or damage resulting from the violation of this rule shall be borne by Tenant who, or whose employee or invitees, have caused it.
- 13. Except with the prior written consent of Landlord, Tenant shall not sell, or permit the sale at retail, of newspapers, magazines, periodicals, theater tickets, or any other goods or merchandise to the general public in the Premises or the Building. Nor shall the Premises be used for manufacturing of any kind, or any business or activity other than that specifically provided for in the Lease.
- 14. No motorcycles or motor scooters shall be parked or stored anywhere inside the Building, and bicycles may be parked only in designated facilities provided.
- 15. Tenant shall store refuse within the areas designated for such refuse within the Premises. No material of a nature that it may not be disposed of in the ordinary and customary manner of removing and disposing of refuse in Redmond, King County, WA without being in violation of any law or ordinance governing this disposal shall be placed in the refuse boxes or receptacles. All refuse disposal shall be made only in designated trash/recycling areas provided for this purpose.
- 16. Landlord may waive any one or more of these Rules and Regulations for the benefit of Tenant, so long as Tenant's use of the Premises is not adversely affected by the waiver, and no waiver by Landlord shall be construed as a waiver of the Rules in favor of any other tenant, nor prevent Landlord from later enforcing any of the Rules against any of the tenants of the Building, including Tenant.
- 17. No animals except as otherwise required by applicable laws shall be allowed in the Premises or the Building. Dogs may be permitted upon the prior written consent of Landlord, which consent may be withheld in Landlord's sole discretion. Landlord reserves the right to deny permission to bring a dog to the Premises for any reason. Tenant shall be responsible for all clean up for any permitted pets at the Premises or the Building. Tenant shall be responsible for any inappropriate behavior of any animals brought onto the Premises or the Building by its employees, invitees and contractors, and in no event shall aggressive animals be allowed.

- 18. Tenant shall not mark, drive nails, screw, bore, or drill into, paint or in any way deface the common area walls, exterior walls, roof, foundations, bearing walls, or pillars without the prior written consent of Landlord. The expense of repairing any breakage, stoppage or damage resulting from a violation of this rule shall be borne by Tenant.
- 19. Canvassing, soliciting and distributing handbills or any other written material and peddling in the Building or on or abut the Building are prohibited, and Tenant shall cooperate with Landlord to prevent these activities.
- 20. Tenant shall not permit its employees, agents, contractors or invitees to smoke in the Premises or the Building, or permit its employees, agents, contractors or invitees to loiter at the Building entrances for the purpose of smoking. Landlord may, but shall not be required to, designate an area for smoking outside the Building.
- 21. Tenant will not permit any employees, agents, contractors or invitees to bring onto the Premises or the Building any handgun, firearm or other weapons of any kind, illegal drugs or, unless expressly permitted by Landlord in writing, alcoholic beverages.
- 22. Landlord reserves the right to amend these or make other reasonable rules as Landlord judges may be needed for the safety, care, and cleanliness of the Premises, and for the preservation of good order, provided that Tenant's use and occupancy of the Premises shall not be adversely affected by such other rules.

EXHIBIT E

FORM OF GUARANTY

[Intentionally Omitted]

EXHIBIT E