Whatcom County Contract # 202410099 AB2024-517 - ORD 2024-044

#### FIRST AMENDMENT TO COMMERCIAL LEASE

THIS AMENDMENT modifies that Commercial Lease ("Lease") entered into between North Commercial Associates, a Washington partnership (hereinafter referred to as "Lessor"), and Adelstein, Sharp & Serka LLP, a Washington Limited Liability Partnership, now known as Faber Fairchild McCurdy LLP (hereinafter referred to as "Tenant"), and which Lease Whatcom County, a municipal corporation, has assumed as part of the purchase of the leased property.

This Amendment is made with reference to the following facts:

- Lessor and Tenant entered into a Lease dated July 1, 2016 ("Lease") which remains in full force and effect.
- Lessor and Tenant wish to modify certain provisions of the terms of the Lease for their mutual benefit.

Wherefore, it is agreed as follows:

1. Lessor Update

Effective October 1, 2024, Lessor is Whatcom County, a municipal corporation.

2. Leasehold Excise Tax

Lessee shall pay Washington State Leasehold Excise Tax rate of .1284 of the rent paid for the property in lieu of property tax. Leasehold Excise Tax shall be paid with Base Rent as described in section 4.1. Leasehold Excise Tax value will be .1284 X \$6,550.00/ month = \$841.02/ month.

3. Reaffirmation of Terms

All terms of the Lease not expressly modified herein shall remain in full force and effect

#### LESSEE:

Faber Fairchild McCurdy LLP, a Washington Limited Liability Partnership

Each signatory to this Contract warrants that he/she is the authorized agent of the respective party; and that he/she has the authority to enter into the contract and to bind the party thereto.

Mitchell G. Faber

Jeffrey P. Fairchild

Ian P. McCurdy

 $\frac{\frac{10/24/24}{\text{Date}}}{\frac{10/24/24}{\text{Date}}}$ 

Date

DEPARTMENT APPROVAL

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Robert Ney, Facilities Management

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Aly Pennucci, Deputy Executive

Approved as to form:

Christopher Quinn, Prosecuting Attorney

Approved: Accepted for Whatcom County:

By: \* Redandant

Satpal Singh Sidhu, Whatcom County Executive

10/2.4/24 Date 10/25/24

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Date

10-25-24 Date

Date

## EXHIBIT A: Original Lease between third parties

## COMMERCIAL LEASE (Triple Net Lease)

This Lease Agreement is by as and between North Commercial Associates, a Washington partnership (hereinafter referred to as "Lessor"), and Adelstein, Sharpe & Serka LLP, a Washington Limited Liability Partnership (hereinafter referred to as the "Tenant").

## SECTION 1: BASIC LEASE TERMS.

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Section 1 represents a summary of the basic terms of this Lease. In the event of any inconsistency between the terms contained in Section 1 and any specific clause of this Lease, the terms of the more specific clause shall prevail.

- 1.1 Date of Lease Execution. The date of lease execution is <u>data 1, bit</u>.
- 1.2 Landlord Information.

	Landlord Name:	North Commercial Associates
	Address (For Notices):	400 North Commercial Street Bellingham, WA 98227
	Phone: Fax:	(360) 671-6565 (360) 647-8148
1.3 <u>Tenant</u>	Information.	
	Tenant Name:	Adelstein, Sharpe & Serka LLP
	Address (Leased Premises):	400 North Commercial Street Bellingham, WA 98227
	Address (Current):	400 North Commercial Street Bellingham, WA 98227
	Phone Business:	(360) 671-6565 (360) 647-8148

1.4 <u>Tenant's Use of Premises</u>. The Premises may be used by Tenant as a law office.

1.5 <u>Premises</u>. The "Premises" consist of the Land and the Building described in Section 2.1.

1.6 <u>Initial Term of Lease</u>. The term of this Lease will commence on the Rent Commencement Date and will continue on a month-to-month basis.

1.7 <u>Rent Commencement</u>. Rent will commence  $\frac{\int_{c} \frac{1}{y}}{1}$  1, 2016 (the "Rent Commencement Date").

1.8 <u>Base Monthly Rent</u>. During the term of this Lease, Base Rent shall be Six Thousand Five Hundred Fifty and No/100 Dollars (\$6,550.00) a month or Seventy Eight Thousand Six Hundred and No/100 Dollars (\$78,600.00) a year.

1.9 <u>Operating Expenses</u>. Tenant shall be responsible for all operating costs beginning on the Rent Commencement Date.

1.10 Prepaid Rent. There shall be no prepaid rent.

1.11 Total Security Deposit. None.

1.12 Brokers. There are no Brokers involved with the negotiation of this Lease.

1.13 <u>Brokerage Commission</u>. No brokerage commission is payable on this Lease.

#### SECTION 2: PREMISES.

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2.1 <u>Building and Land</u>. The "Building" is the building commonly known as 400 North Commercial Street, Bellingham, WA 98225, which is located on the real property legally described as:

Lots 9, 10, 11, Block 4 of the Plat of Central Whatcom County, Washington according to the Plat thereof recorded in Vol. 1 of Plats page 32.

2.2 <u>Lease</u>. Tenant hereby leases from Landlord and Landlord hereby leases to Tenant, upon all of the terms and conditions set forth herein, the Premises.

2.3 <u>Joint Parking Agreement</u>. The Lease is subject to a Joint Parking Agreement with the Whatcom Land Trust which applies to Lot 9 and Lot 8 owned by the Whatcom Land Trust.

#### SECTION 3: TERM.

The term of this Lease is for the period set forth in Section 1.6.

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### SECTION 4: RENT.

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4.1 <u>Base Rent</u>. Tenant shall pay Landlord monthly Base Rent in the amount set forth in Section 1.8, which shall be payable monthly in advance on the first day of each and every calendar month throughout the term of this Lease without demand, deduction or offset.

## SECTION 5: OPERATING EXPENSES.

5.1 <u>Net Lease</u>. The purpose of this Section is to clarify and differentiate the expenses to be borne by Tenant verses those expenses to be borne by Landlord. The Tenant bears and shall directly pay all operating expenses related to the use, maintenance, management and insurance of the Premises as defined in Section 5.2.

5.2 <u>Operating Expenses Defined</u>. The term "operating expenses" shall mean all costs and expenses of the operation, maintenance, repair, management and insurance of the Premises, including, without limitation, the following costs:

(a) All supplies, materials, labor and equipment, used or related to the operation, repair and maintenance of the Premises which Tenant has use and access to or maintenance or service agreements related thereto, including janitorial service;

(b) All costs required to fulfill Tenant maintenance responsibility is described in Section 10.2;

(c) All utilities, including without limitation, water, telephone/internet, electricity, gas heating, lighting, sewer, waste disposal, security, air conditioning and ventilating costs and all charges relating to the use, ownership or operation of the Premises;

(d) All Tenant insurance premiums and costs required or permitted under the terms of Sections 11.1 and 11.2 and 11.3 of this Lease; and

(e) Real property taxes including all taxes, assessments (general and special) which may be taxed, charged, levied, assessed or imposed upon or any portion of or in relation to the Premises as required under Section 8.

## SECTION 6: BROKERS.

Each party represents and warrants to the other that it has not had dealings with any other real estate broker, agent or salesperson with respect to this Lease that would cause the other party to have any liability for any commissions or other compensation to such broker, agent or salesperson, and that no such broker, agent or salesperson has asserted any claim or right to any such commission or other compensation. Such representing party shall defend and indemnify the other party and hold the other party harmless from and against any and all loss, cost, liability, damage and expense

(including reasonable attorneys' fees) whatsoever that may arise out of the breach of such representation and warranty.

## SECTION 7: PERSONAL PROPERTY TAXES; LIENS.

Tenant shall pay before delinquency all taxes, assessments, license fees and public charges levied, assessed or imposed upon its business operations as well as upon all trade fixtures, leasehold improvements, merchandise and other personal property in and about the Premises. Tenant shall keep the Premises free from any and all liens arising out of any work performed, material furnished or obligations incurred by Tenant.

## SECTION 8: REAL PROPERTY TAXES

Tenant shall pay all taxes, including without limitation real estate taxes and assessments, levied, confirmed, or imposed against the Premises during the term of this Lease.

## SECTION 9: UTILITIES.

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Tenant shall pay the appropriate suppliers of all water, telephone/internet, gas, electricity, light, heat, telephone, power and other utilities and communication services used by Tenant on the Premises during the term of this Lease.

### SECTION 10: MAINTENANCE/REPAIRS.

10.1 <u>Landlord's Maintenance</u>. Landlord will maintain, in good condition, the foundation, bearing and exterior walls, exterior doors and door frames, sky light, subflooring and roof, exterior windows, window frames, siding, gutters and downspouts on the Building. Landlord shall also be responsible for replacing the HVAC system as needed. All of the above costs shall be Landlord's responsibility and shall not be passed on to Tenant as operating expenses.

10.2 <u>Tenant's Maintenance</u>. Except as provided above, Tenant shall maintain the Premises in good condition, including, without limitation, maintaining and repairing all interior walls, floors, ceilings, interior doors, windows and fixtures, and shall maintain the existing landscaping, exterior sidewalk, all plumbing, and electrical. Tenant shall also be responsible for routine maintenance and repairs to the HVAC system during the term of the lease. In addition, Tenant shall be responsible for janitorial service for the Premises. Upon expiration or termination of this Lease, Tenant shall surrender the Premises to Landlord in the same conditions as existed at the commencement of the term, ordinary wear and tear excepted.

#### SECTION 11: INSURANCE.

11.1 <u>Liability Insurance.</u> Tenant shall, throughout the term of this Lease and any renewal hereof, at its own expense, keep and maintain in full force and effect, a policy of Commercial General Liability (occurrence form) insurance including

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Contractual Liability insuring Tenant's activities upon, in or about the Premises against claims from bodily injury or death or property damage or loss with a Combined Single Limit of not less than One Million Dollars (\$1,000,000) Per Occurrence and in the Aggregate. Each policy that Tenant is obligated to maintain under this Section shall name Landlord and such other persons or entities specified by Landlord from time to time as additional insureds.

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11.2 <u>Personal Property Insurance.</u> Tenant shall throughout the term of this Lease and any renewal hereof, at its own expense, keep and maintain in full force and effect, an "All Risk" or "Special" coverage on Tenant's leasehold improvements for not less than 100% of the replacement value. Tenant shall also maintain a policy of standard fire and extended coverage insurance with vandalism and malicious mischief endorsements and "All Risk" or "Special" coverage on all Tenant's personal property.

11.3 <u>Real Property Insurance</u>. Tenant shall obtain and keep in force during the term of this Lease, at Tenant's expense, a policy or policies of insurance covering loss or damage to the Building and other improvements in the Premises, but not Tenant's personal property, fixtures or equipment or other improvements required to be insured by Tenant, in an amount not to exceed the Building's full replacement value, providing protection against all perils including fire, extended coverage, vandalism, malicious mischief, special extended perils. Each policy that Tenant is obligated to maintain under this Section shall name Landlord and such other persons or entities specified by Landlord from time to time as additional insureds. Tenant shall deliver to Landlord prior to the Commencement Date and the Lease annually thereafter and within Thirty (30) days prior to the expiration of a policy certificates evidencing the existence and the amounts of same and evidencing Landlord as an additional insured thereunder. In no event shall the limit of any insurance policy required under this Section be considered as limiting the liability of Tenant under this Lease.

11.4 <u>Policy Requirements</u>. Each policy shall be issued by an insurance company with a rating classification of at least a A- status as rated from time to time in the most current edition of Best's Insurance Reports. Upon the reasonable request of either party from time to time, the other party shall deliver to the requesting party a certificate of existence or copy of all insurance policies then in effect which are required under this Lease.

11.5 <u>Waiver of Subrogation.</u> Whether the loss or damage is due to the negligence of either Landlord or Tenant, their agents or employees, or any other cause, Landlord and Tenant do each hereby release and relieve the other, their agents or employees, from responsibility for, and waive their entire claim of recovery for (i) any loss or damage to the real or personal property of either located anywhere in the Building, including the Building itself, arising out of or incident to the occurrence of any of the perils which are covered by their respective property and related insurance policies, and (ii) any loss resulting from business interruption at the Premises or loss of the perils which may be covered by any business interruption insurance policy or by any loss of rental income insurance policy by Landlord or Tenant.

## SECTION 12: INDEMNIFICATION

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Tenant shall indemnify and hold Landlord harmless from and against all common law or statutory liabilities, damages, obligations, losses, claims, civil actions, costs or expenses, including reasonable attorney fees, arising from any act, omission or negligence of Tenant or its officers, contractors, licensees, agents, employees, guests, invitees, or visitors in or about the Premises, or arising from any injury or damage to any person or property, occurring in or about the Premises as a result of any act, omission or negligence of Tenant, or its officers, contractors, licensees, agents, employees, guests, invitees, or visitors, or arising from any breach or default under this Lease by Tenant. The foregoing provisions shall not be construed to make Tenant responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the sole negligence of Landlord, or its officers, contractors, licensees, agents, employees, employees, invitees or any other tenants of the Premises that Tenant is not responsible for.

Landlord shall indemnify and hold Tenant harmless from and against all common law or statutory liabilities, damages, obligations, losses, claims, civil actions, costs or expenses, including reasonable attorney fees, arising from any act, omission or negligence of Landlord or its officers, contractors, licensees, agents, employees, guests, invitees, or visitors in or about the Premises, or arising from any injury or damage to any person or property, occurring in or about the Premises as a result of any act, omission or negligence of Landlord, or its officers, contractors, licensees, agents, employees, guests, invitees, or visitors, or arising from any breach or default under this Lease by Landlord. The foregoing provisions shall not be construed to make Landlord responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the sole negligence of Tenant, or its officers, contractors, licensees, agents, employees, invitees or any other tenants of the Premises.

## SECTION 13: DESTRUCTION.

In the event of any damage or destruction to the Building or any portion of the Building at any time during the term of this Lease, Landlord will promptly repair, replace, restore and renew the condition and repair the Building. Landlord or Tenant may in writing deliver to the other party, within thirty (30) days after the damage or destruction, a notice to terminate the Lease as of the date of the damage or destruction if the repair, replacement, restoration or renewal requires more than six (6) months to complete. During the period of any such repair, replacement, restoration or renewal, the obligation of the Tenant to pay rent will be abated.

#### SECTION 14: CONDEMNATION.

14.1 <u>Entire Taking</u>. If all of the Premises or such portions of the Building as may be required for the reasonable use of the Premises are taken by eminent domain, this Lease shall automatically terminate as of the date Tenant is required to vacate the Premises and all rents shall be paid to that date.

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14.2 <u>Partial Taking</u>. In the case of a taking of part of the Premises, or a portion of the Building not required for Tenant's reasonable use of the Premises, then this Lease shall continue in full force and effect and the rent shall be equitably reduced, such rent reduction to be effective as of the date possession of such portion is delivered to the condemning authority.

14.3 <u>Awards & Damages</u>. Landlord reserves all rights to proceeds for loss or damages to the Premises for any partial or entire taking by eminent domain, and Tenant hereby assigns to Landlord any right Tenant may have to such damages or award, and Tenant shall make no claim against Landlord for damages from termination of the leasehold interest or interference with Tenant's business; provided, Tenant shall be entitled to receive such portion of any award as shall represent the value of any improvements made and paid for by Tenant and then existing on the Premises (but excluding any Tenant improvements paid for by Landlord); and Tenant shall have the right, however, to claim and recover from the condemning authority compensation for any loss to which Tenant may be put for Tenant's moving expense, business interruption or taking of Tenant's personal property (not including Tenant's leasehold interest) provided that such damages may be claimed by Tenant only if they are awarded separately in the eminent domain proceedings and not as part of the damages recoverable by Landlord.

## SECTION 15: ASSIGNMENT & SUBLETTING.

Tenant shall not assign its interest in this Lease or sublease the Premises or allow any other person or entity to occupy or use the Premises without first obtaining Landlord's consent, which consent may be withheld, or conditioned for any reason. Any other assignment or sublease, without Landlord's written consent shall be voidable and at Landlord's election shall constitute a default.

## SECTION 16: TENANT'S DEFAULT.

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The occurrence of any of the following shall constitute a default by Tenant:

(a) A failure to pay Base Rent, operating expenses or any other sum or charge payable under this Lease within fifteen (15) business days after receipt of written notice from Landlord that such amount remains unpaid;

(b) Abandonment and vacation of the Premises (failure to occupy and operate the Premises for thirty (30) consecutive days shall be deemed an abandonment and vacation);

(c) If Tenant shall: (i) make a general assignment for the benefit of creditors; (ii) shall file a petition in bankruptcy; (iii) shall be adjudicated as bankrupt or insolvent; (iv) shall file a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation; (v) shall fail timely to contest the material allegations of a petition filed

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against it in any bankruptcy proceeding, or (vi) shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Tenant or any material part of its properties; or

(d) Failure to perform any other provision of this Lease within thirty (30) days after receipt of written notice from Landlord, unless such matter cannot be cured within thirty (30) days, but Tenant has commenced the cure within such thirty (30) days and continues to diligently pursue the cure of such matters thereafter.

### SECTION 17: LANDLORD'S REMEDIES.

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Landlord shall have the following remedies if Tenant is in default. (These remedies are not exclusive; they are cumulative and in addition to any remedies now or later allowed by law.): If Tenant is in default, then Landlord may cancel this Lease upon giving written notice and re-enter the Premises. No act by Landlord other than giving thirty (30) days notice to terminate Tenant shall terminate this Lease. Upon termination of Tenant's right to possession, Landlord has the right to recover from Tenant:

(a) The worth of the due but unpaid rent that had been earned at the time of termination of this Lease;

(b) The worth of the amount of the unpaid rent that would have been earned after the date of early termination of this Lease if this Lease had not been terminated early to the end of the term. Landlord has a duty to mitigate the amount of unpaid future rent that would have been earned after the date of termination.

(c) Any other amount, including court, attorney and collection costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's default.

"The worth" as used for (a) in this Section is to be computed by allowing interest at the maximum rate an individual is permitted to charge by law or twelve percent (12%) per annum, whichever is lesser.

#### SECTION 18: RIGHT TO PERFORM

If Tenant shall fail to timely pay any sum or perform any other act on its part to be performed hereunder, Landlord may, after notice and the passage of any applicable cure period, make any such payment or perform any such other act on Tenant's part to be made or performed as provided in this Lease. Tenant shall, on demand, reimburse Landlord for its expenses incurred in making such payment or performance. Landlord shall (in addition to any other right or remedy of Landlord provided by law) have the same rights and remedies in the event of the nonpayment of sums due under this Section as in the case of default by Tenant in the payment of rent.

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## SECTION 19: SUBORDINATION, ATTORNMENT AND NONDISTURBANCE.

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Without the necessity of any additional document being executed by Tenant for the purpose of effecting a subordination, and at the election of Landlord or any mortgagee or any beneficiary of a deed of trust with a lien on the Premises or portion thereof or any ground lessor with respect to the Premises, this Lease shall be subject and subordinate at all times to:

(a) The lien of any mortgage or deed of trust which may now exist or hereafter be executed in any amount for which any portion or all of the Premises or this Lease, or Landlord's interest or estate in any of said items, is specified as security.

In the event that any mortgage or deed of trust is foreclosed or a conveyance in lieu of foreclosure is made for any reason, Tenant shall notwithstanding any subordination, attorn to and become the Tenant of the successor in interest to Landlord. Tenant covenants and agrees to execute and deliver, upon demand by Landlord and in the form requested by Landlord any additional documents or estoppel certificates evidencing the priority or subordination of this Lease with respect to any such ground lease or underlying leases or the lien of any such mortgage or deed of trust. Tenant hereby irrevocably appoints Landlord as attorney-in-fact of Tenant to execute, deliver and record any such document in the name and on the behalf of Tenant, only in the event Tenant fails or refuses to execute, acknowledge and deliver subordination documents within twenty (20) days of Tenant's receipt of written demand.

In the event the holder of any mortgage or deed of trust or other similar instrument succeeds to Landlord's interest in the Premises, Tenant will pay to it all rent subsequently payable under this Lease. Tenant will upon request to anyone succeeding to the interest of Landlord automatically become Tenant of and attorn to the successor without change in this Lease. Upon request by the successor and without cost to Landlord or the successor, Tenant will execute and acknowledge and deliver documents confirming the attornment.

(b) Tenant, within fifteen (15) days from receipt of notice from Landlord, shall execute and deliver to Landlord, in recordable form, certificates stating the then condition as to whether this Lease is in default, is unmodified and in full force and effect, or in full force and effect as modified, and stating the modifications. This certificate should also state the amount of the current monthly rent, the dates to which rent has been paid in advance, and the amount of any security deposit and prepaid rent and any other information required by the Lessor or Lessor's lender. Failure to deliver this certificate to Landlord within fifteen (15) days shall be conclusive upon Tenant that this Lease is in full force and effect and has not been modified except as may be represented by Landlord.

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#### SECTION 20: NOTICE.

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Any notice, demand, request, consent, approval or communication desired by either party or required to be given, shall be in writing and served personally sent by certified mail, addressed as set forth in Sections 1.2 and 1.3. Either party may change its address by notification to the other party. Notice shall be deemed to be communicated from time of actual receipt or refusal of receipt if served as provided in this Section.

## SECTION 21: WAIVER.

No delay or omission in the exercising of any right or remedy by either Landlord or Tenant shall impair such right or remedy or be construed as a waiver. No act or conduct of Landlord, including without limitation, acceptance of the keys to the Premises, shall constitute an acceptance of the surrender of the Premises by Tenant before expiration of the term. Only written notice from Landlord to Tenant shall constitute acceptance of the surrender of the Premises and accomplish termination of this Lease. Landlord's or Tenant's consent to or approval of any act by the other requiring consent or approval shall not be deemed to waive or render unnecessary any consent to or approval of any subsequent act. Any waiver by Landlord or Tenant of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Lease.

## SECTION 22: SURRENDER OF PREMISES; HOLDING OVER.

Upon expiration of the term, Tenant shall surrender to Landlord the Premises and all Tenant improvements and alterations in good condition, except for ordinary wear and tear.

Tenant has no right to retain possession of the Premises or any part thereof beyond the expiration or earlier\_termination of this Lease.\_If\_Tenant holds over: (a) the Base Rent payable shall be continue to pay Base Rent during the month and (b) all other terms and conditions of this Lease shall continue to apply. Nothing contained herein shall be construed as a consent by Landlord to any holding over by Tenant. Tenant shall indemnify, defend and hold Landlord harmless from and against any and all claims, demands, actions, losses, damages, obligations, costs and expenses, including without limitation attorneys' fees incurred or suffered by Landlord by reason of Tenant's failure to surrender the Premises on the expiration or earlier termination of this Lease in accordance with the provisions of this Lease.

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## SECTION 23: QUIET ENJOYMENT

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Provided Tenant observes its obligations under this Lease, its quiet enjoyment of the Premises throughout the Term shall not be disturbed.

## SECTION 24: HAZARDOUS MATERIAL

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 by Tenant, its agents, employees, contractors or invitees, except in 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, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises, or elsewhere, damages arising from any adverse impact on Premises, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees incurred or suffered by Landlord either during or after the Lease 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, or in soil or ground water on or under the Premises. 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 by Tenant, its agents, employees, contractors or invitees, results in any unlawful release of Hazardous Material on the Premises or any other property, Tenant shall promptly take all actions, at its sole expense, as are necessary to return the Premises or any other 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 shall not be unreasonably withheld, conditioned or delayed.

As used herein, the term "Hazardous Materials" 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. The provisions of this Section shall survive expiration or termination of this Lease.

## SECTION 25: MISCELLANEOUS PROVISIONS.

25.1 <u>Time of Essence</u>. Time is of the essence of each Provision of this Lease,

25.2 <u>Successor</u>. This Lease shall be binding on and inure to the benefit of the parties and their successors.

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25.3 <u>Landlord's Consent</u>. Any consent required by Landlord under this Lease must be granted in writing.

25.4 <u>Other Charges</u>. If Landlord becomes a party to any litigation concerning this Lease, or the Premises, by reason of any act or omission of Tenant or Tenant's authorized representatives, Tenant shall be liable to Landlord for reasonable attorneys' fees and court costs incurred by Landlord in the litigation whether or not such litigation leads to actual court action. If Tenant becomes a party to any litigation concerning this Lease or the Premises, by reason of any act or omission of Landlord or Landlord's authorized representatives, Landlord shall be liable to Tenant for reasonable attorneys' fees and court costs incurred by Tenant in the litigation whether or not such litigation leads to court action. If either party commences an action against the other party arising out of or in connection with this Lease, the prevailing party shall be entitled to recover from the other party reasonable attorneys' fees and costs of suit. If Tenant is in default and Landlord employs a collection agency to recover delinquent charges, Tenant agrees to pay all reasonable collection agency fees charged to Landlord in addition to rent, late charges, interest and other sums payable under this Lease.

25.5 <u>Interpretation</u>. This Lease shall be construed and interpreted in accordance with the laws of the state in which the Premises are located. This Lease constitutes the entire agreement between the parties with respect to the Premises, except for such guarantees or modifications as may be executed in writing by the parties from time to time. When required by the context to this Lease, the singular shall include the plural, and the masculine shall include the feminine and/or neuter. "Party" shall mean Landlord or Tenant. If more than one person or entity constitutes Landlord or Tenant, the obligations imposed upon that party shall be joint and several. The enforceability, invalidity or illegality of any provision shall not render the other provisions unenforceable, invalid or illegal.

25.6 <u>Authority</u>. Except as expressly set forth in this Lease, neither the execution and delivery of this Lease, nor the performance of it will require the consent of any legal entity or natural person other than the parties who sign below, or will, to the knowledge of the parties who sign below, constitute a breach of any agreement or any binding contractual relationship of or affecting the parties who sign below.

25.7 <u>Survival</u>. All representations and warranties in this Lease survive the termination of this Lease.

25.8 <u>Counterparts</u>. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

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This agreement is executed as of the date set forth in Section 1.1 above.

## LANDLORD:

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NORTH COMMERCIAL ASSOCIATES, a Washington partnership	
By:	Date Signed: 7-15-15
By:	Date Signed: 7.16.16
By: PHILIP A. SERKA	Date Signed:
TENANT:	
ADELSTEIN, SHARPE & SERKA LLP, a Washington limited liability partnership	
By: ALL STEVEN P. ADELSTEIN	Date Signed:
By:	Date Signed: _7 +4- (L
By: PHILIP A. SERKA	Date Signed:
By: JEFFREY P. FAIRCHILD	Date Signed:
By: MITCHELL G. FABER	Date Signed: 7-14-16

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I certify that I know or have satisfactory evidence that **Steven P. Adelstein** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a partner of North Commercial Associates, a Washington partnership, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated:

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NOTARY PUBLIC, in and for the State of	
Washington, residing at:	
Printed Name:	
My Commission expires:	

# STATE OF WASHINGTON ) )ss. COUNTY OF WHATCOM )

I certify that I know or have satisfactory evidence that **Philip E. Sharpe, Jr.** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a partner of North Commercial Associates, a Washington partnership, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated:

NOTARY PUBLIC, in and for the State of	
Washington, residing at:	
Printed Name:	
My Commission expires:	

Landlord Initials	
Tenant Initials	

I certify that I know or have satisfactory evidence that **Philip A. Serka** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a partner of North Commercial Associates, a Washington partnership, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated:

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NOTARY PUBLIC, in and for the State of
Washington, residing at:
Printed Name:
My Commission expires:

STATE OF WASHINGTON ) )ss. COUNTY OF WHATCOM )

I certify that I know or have satisfactory evidence that **Steven P. Adelstein** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a partner/member of Adelstein, Sharpe & Serka LLP, a Washington Limited Liability Partnership, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated:

NOTARY PUBLIC, in and for the State of Washington, residing at:\_\_\_\_\_ Printed Name:\_\_\_\_\_ My Commission expires:\_\_\_\_\_

Landlord Initials	
Tenant Initials	

I certify that I know or have satisfactory evidence that **Philip E. Sharpe, Jr.** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a partner/member of Adelstein, Sharpe & Serka LLP, a Washington Limited Liability Partnership, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated:

NOTARY PUBLIC, in and for the State of
Washington, residing at:
Printed Name:
My Commission expires:

## STATE OF WASHINGTON ) )ss. COUNTY OF WHATCOM )

I certify that I know or have satisfactory evidence that **Philip A. Serka** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a partner/member of Adelstein, Sharpe & Serka LLP, a Washington Limited Liability Partnership, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated:

NOTARY PUBLIC, in and for the State of	
Washington, residing at:	
Printed Name:	
My Commission expires:	

Landlord Initia	ls
Tenant Initials	

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I certify that I know or have satisfactory evidence that **Jeffrey P. Fairchild** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a partner/member of Adelstein, Sharpe & Serka LLP, a Washington Limited Liability Partnership, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated:

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NOTARY PUBLIC, in and for the State of	
Washington, residing at:	_
Printed Name:	_
My Commission expires:	-

## STATE OF WASHINGTON )

)ss. COUNTY OF WHATCOM )

I certify that I know or have satisfactory evidence that **Mitchell G. Faber** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a partner/member of Adelstein, Sharpe & Serka LLP, a Washington Limited Liability Partnership, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated:

NOTARY PUBLIC, in and for the State of Washington, residing at:\_\_\_\_\_ Printed Name:\_\_\_\_\_ My Commission expires:\_\_\_\_\_

S-Miscellaneous/SPA misc/COMMERCIAL LEASE -AS&S - final 6-24-16 doc

COMMERCIAL LEASE (Triple Net Lease) PAGE 17 OF 17

Landlord Initia	ls
Tenant Initials	

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