

**WHATCOM COUNTY CONTRACT
INFORMATION SHEET**

Whatcom County Contract No.
202410005

Originating Department:	Administrative Services
Division/Program: <i>(i.e. Dept. Division and Program)</i>	Facilities Management
Contract or Grant Administrator:	Rob Ney
Contractor's / Agency Name:	Bellingham Towers, LLC

Is this a New Contract? If not, is this an Amendment or Renewal to an Existing Contract? Yes No

Yes No If Amendment or Renewal, (per WCC 3.08.100 (a)) Original Contract #: _____

Does contract require Council Approval? Yes No If No, include WCC: _____

Already approved? Council Approved Date: _____ (Exclusions see: Whatcom County Codes 3.06.010, 3.08.090 and 3.08.100)

Is this a grant agreement?
Yes No If yes, grantor agency contract number(s): _____ CFDA#: _____

Is this contract grant funded?
Yes No If yes, Whatcom County grant contract number(s): _____

Is this contract the result of a RFP or Bid process? Contract
Yes No If yes, RFP and Bid number(s): _____ Cost Center: _____

Is this agreement excluded from E-Verify? No Yes If no, include Attachment D Contractor Declaration form.

If YES, indicate exclusion(s) below:

Professional services agreement for certified/licensed professional. Goods and services provided due to an emergency

Contract work is for less than \$100,000. Contract for Commercial off the shelf items (COTS).

Contract work is for less than 120 days. Work related subcontract less than \$25,000.

Interlocal Agreement (between Governments). Public Works - Local Agency/Federally Funded FHWA.

Contract Amount:(sum of original contract amount and any prior amendments):
\$ 360,248.00 - reimbursed by St of WA DSHS

This Amendment Amount:
\$ _____

Total Amended Amount:
\$ 360,248.00 - reimbursed by St of WA DSHS

Council approval required for; all property leases, contracts or bid awards **exceeding \$40,000**, and professional service contract amendments that have an increase greater than \$10,000 or 10% of contract amount, whichever is greater, **except when:**

1. Exercising an option contained in a contract previously approved by the council.
2. Contract is for design, construction, r-o-w acquisition, prof. services, or other capital costs approved by council in a capital budget appropriation ordinance.
3. Bid or award is for supplies.
4. Equipment is included in Exhibit "B" of the Budget Ordinance.
5. Contract is for manufacturer's technical support and hardware maintenance of electronic systems and/or technical support and software maintenance from the developer of proprietary software currently used by Whatcom County.

Summary of Scope:

This contract is between Whatcom County and Bellingham Towers LLC for the lease of the property at 119 North Commercial Street, Suite #110, Bellingham WA (Prosecuting Attorney's Office); for the purpose of providing additional space for the Division of Child Support Services.

Term of Contract:	Expiration Date: 10/31/29
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Contract Routing:	1. Prepared by: Dee Ebergson	Date: 10/10/24
	2. Attorney signoff: CQuinn	Date: 10/09/24
	3. AS Finance reviewed: BBennett (legistar)	Date: 10/10/2024
	4. IT reviewed (if IT related):	Date: _____
	5. Contractor signed:	Date: _____
	6. Executive contract review:	Date: _____
	7. Council approved, if necessary: AB2024-685	Date: _____
	8. Executive signed:	Date: _____
	9. Original to Council:	Date: _____

LEASE

THIS LEASE made and entered into on October ____, 2024, by and between **Bellingham Towers, LLC**, hereinafter called "Lessor", and **Whatcom County, a municipal corporation**, hereinafter an individual called "Lessee".

WITNESSETH:

1. **DESCRIPTION OF PREMISES:** Lessor does hereby lease, demise and let unto Lessee a portion of the building known as **THE BELLINGHAM TOWERS** (hereinafter called "Building"), Bellingham, Washington and located on the following described real property, to-wit:

Lots 1 through 12, inclusive, BLOCK 9, "Plat of Central Whatcom County, W.T.," now a part of the consolidated City of Bellingham, Whatcom County, Washington, as per the map thereof, recorded in Book of Plats, Page 32, in the Auditor's Office of said County and State.

The portion of said property being covered by this Lease being the **1st** floor of said Building, having an area of approximately **2,196** square feet, office number **110** (hereinafter called "Premises").

See Exhibit A: Floor Plan

2. **TERM:**

The term of this Lease shall be for a period of five (**5**) years, commencing on **November 1, 2024** (the "Commencement Date") and ending at midnight on **October 31, 2029**. Please see Exhibit B.

3. **IMPROVEMENTS:** Lessor shall make the following improvements to the Premises prior to Tenant's move in, at Lessor's expense:

- **Installation of Non-Structural Wall:** Construct a non-structural wall to divide the space as per the agreed-upon plan.
- **Pass-Through/Speak through Window:** Install a pass-through window and speak-through system in the newly constructed wall to allow for interaction between the two spaces.
- **Solid Wood Core Door:** Install a 7x3 solid wood core door with vision glass in the non-structural wall. (Latch hardware provided by Lessee)

- **Security Camera Installation:** Install a two-way camera from lobby conference room to office area. Install security cameras at both the front and back entrances of the office space.
- **Removal of Partition wall at copier space:** Partition wall will be removed to create a more open and spacious area. Carpeting and wall will be patched and repaired as necessary.
- **Installation of Door Chime at Front Entrance:** A door chime will be installed to alert the tenant when someone enters the front door.
- **Installation of New Supply/Return Air in Lobby Ceiling:** New supply and return air ducts will be installed in the lobby ceiling to provide adequate zoning and improve air circulation.
- **Provide Fire Strobe at Lobby Area**
- **Provide #6 Grounding from IT Rack to the nearest electrical panel** to ensure proper grounding for electrical equipment.

4. **RENT:** The monthly rent which includes the cost of the improvements listed above to be paid by Lessee to Lessor, or anyone designated by Lessor, at such place or places as may be designated in writing from time to time, shall be as follows:

\$5,480.00	November 1, 2024 through October 31, 2025,
\$5,688.00	November 1, 2025 through October 31, 2026,
\$5,904.00	November 1, 2026 through October 31, 2027,
\$6,129.00	November 1, 2027 through October 31, 2028; and
\$6,363.00	November 1, 2028 through October 31, 2029,

payable in advance on the first day of each calendar month, together with all other amounts accrued and owing by Lessee to Lessor, pursuant to this Lease.

Any late payments after the tenth of the month will be subject to a finance charge of 1.5% of the sum then due and unpaid.

5. **SECURITY DEPOSIT:** Concurrently with execution of this Lease, Lessee shall pay the amount of **\$5,480.00** at the time of move in as a security deposit for faithful performance of its obligations hereunder. If Lessee shall have promptly paid all rent provided herein and shall have complied with each and all terms and conditions of this Lease, then, upon termination of the term hereof and surrender of the Premises in the condition required by this Lease, Lessor will refund to Lessee the security deposit or unused portion thereof. Lessor may apply all or part of the security deposit to any unpaid rent or other charges due from Lessee or to cure any other defaults of Lessee. Lessor

shall have no obligation to pay interest on the security deposit and may commingle same. In the event that Lessor draws upon the security deposit to cover any obligation of Lessee, then Lessee shall reimburse Lessor immediately upon demand, to maintain the security deposit in the sum initially established herein.

6. UTILITIES AND MAINTENANCE: Lessor, at Lessor's sole expense, shall maintain the structural, mechanical, plumbing and electrical systems and the public and common areas of the Building such as lobbies, stairs, corridors, elevators and restrooms, in reasonably good order and condition. Lessor shall pay for all utilities to the common areas and shall pay for water, garbage and sewer service to the Premises. The cost of all other utilities to the Premises shall be paid by Lessee directly to the appropriate supplier. Lessee shall be responsible at its cost for suite signage, janitorial service, replacement of light bulbs, and maintenance of floor coverings, interior walls, fixtures, and decor in the Premises. Lessor shall not be liable to Lessee for an interruption of utilities and services to the Premises for a period of less than twenty-four (24) hours during the work week and the rent will not be abated as a result of such interruptions.

7. TAXES: Lessor shall pay all taxes assessed against the real estate upon which the Premises are situated. Lessee shall pay prior to delinquency all taxes assessed or levied against property owned by Lessee, or any other taxes or assessments arising by reason of Lessee's business operation, and all trade fixtures located upon the Premises.

8. USE AND OCCUPANCY:

(a) The Premises are to be used only for office space and such other purposes as are usual in connection therewith pertaining to Lessee. Lessee will not use the Premises for any unlawful purposes and covenants not to conduct nor permit to be conducted on the Premises any business in violation of any County, State or Federal law, ordinance, regulation or other authority. No animals may be brought into the Building or the Premises except for service animals.

(b) As used in this Lease, the term "Hazardous Materials" means any flammable items, explosives, radioactive materials, hazardous or toxic substances, material or waste or related materials, including any substances defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" now or subsequently regulated under any applicable federal, state or local laws or regulations, including without limitation petroleum based products, paints, solvents, lead, cyanide, DDT, printing inks, acids, pesticides, ammonia compounds and other chemical products, asbestos, PCBs and similar compounds and including any different products and materials which are subsequently found to have adverse effects on the environment or the health and safety of persons. Lessee shall cause all Hazardous Materials brought upon, kept on, in or about the Premises to be used in compliance with all legal requirements. Notwithstanding the foregoing, Lessee shall only bring such Hazardous Materials on the Premises that are directly related to Lessee's use of the Premises, in reasonable quantities. If Lessee breaches the obligations stated in the foregoing sentence or if, at any time during the term of the Lease or upon the expiration

date hereof, the presence of Hazardous Materials on the Premises caused or permitted by Lessee results in contamination of the Premises, Lessee will indemnify, defend and hold Lessor harmless from and against any and all liabilities, claims, damages, costs and expenses of any kind and nature, including, without limitation, legal, accounting, consulting, engineering or other expenses which may be posed upon Lessor by any other party (including a governmental entity) which arise as a result of such contamination. The obligations of Lessee under this paragraph shall survive the expiration or earlier termination of the Lease.

9. ALTERATIONS AND IMPROVEMENTS: Lessee shall not make any alterations, additions or improvements in or to the Premises, including installation or window coverings and signage, without first providing Lessor with the plans and specifications therefore and obtaining Lessor's prior written consent thereto, which consent may not be unreasonably withheld or delayed. All such alterations, additions and improvements consented to by Lessor shall be made at Lessee's sole expense. Lessee shall secure any and all governmental permits and consents required in connections with such work, shall keep the Premises and the Building free from liens; and shall indemnify, defend and hold Lessor harmless from any and all claims, suits, liabilities, damages, expenses and losses resulting from such work. All alterations, additions, and improvements to the Premises except trade fixtures shall become the property of Lessor upon termination of this Lease without any obligation of Lessor to pay Lessee therefor, unless Lessee is required by Lessor in writing to remove the same, in which case Lessee shall do so at Lessee's expense and repair any resulting damage to the Premises or Building.

10. DESTRUCTION OF PREMISES: Should the Premises be destroyed or materially damaged by fire, earthquake, or other casualty, Lessor may proceed at its option and sole expense, to rebuild and restore the same provided that within thirty (30) days of such destruction or damage Lessor shall give Lessee notice in writing of its intention to so rebuild or restore said Premises. Failure by Lessor to notify Lessee within the given thirty (30) day period shall result in termination of this Lease. During any period that Lessee may be deprived of the use of the Premises due to a casualty, the rent shall be abated in proportion to the portion of the Premises rendered unsuitable for use, except that the rent shall not be abated if the casualty was caused by the acts or omissions of Lessee, its agents or invitees.

11. ASSIGNMENT OR SUBLETTING: No assignment of this Lease shall be made, either by operation of law or otherwise, without the written consent of Lessor, which shall not be unreasonably withheld, nor shall any portion of the Premises be sublet without said written approval first being obtained; provided, however, that Lessee may assign or transfer its interest in this Lease to a parent, subsidiary or affiliate without prior written consent of Lessor. If Lessor consents to assignment or sublease, this paragraph shall nevertheless continue in full force and effect as to any future assignment or sublease, and no assignment or sublease shall relieve Lessee from its primary liability hereunder.

Lessor may charge Lessee a reasonable fee for the review of any request to assign or sublease.

12. INSPECTION: Lessor shall have the right to make reasonable inspections of the Premises at such time as it deems reasonable and necessary upon twenty-four (24) hours prior notice to Lessee, unless an emergency situation exists in which case Lessor shall take reasonable measures to notify Lessee prior to entry.

13. EMINENT DOMAIN: In the event the Premises, the Building or any portion thereof shall be acquired or condemned by eminent domain and Lessee shall determine in its reasonable business judgment that the remaining Premises, if any, are rendered substantially unusable for Lessee's purposes, then Lessee may elect by written notice to Lessor within thirty (30) days after the condemnation to terminate this Lease, whereupon all rent shall be accounted for between Lessor and Lessee as of the date that possession is surrendered to the condemning or acquiring authority. If Lessee fails to terminate this Lease in accordance with this paragraph, Lessee shall continue to lease the remaining Premises not so taken, if any, pursuant to this Lease and the monthly rent shall be reduced in proportion to the ratio that the portion of the Premises taken bears to the entire Premises. Lessor and Lessee may appear in any relevant condemnation proceedings and may present any evidence and make any claims deemed necessary or desirable by either party, and each shall cooperate with the other in any such proceeding. For the purposes of this Lease, any conveyance of the Premises, the Building or any portions thereof or interest therein to any condemning or acquiring authority under threat of or in lieu or avoidance of the exercise of the power of eminent domain shall be treated as a condemnation hereunder.

14. QUIET ENJOYMENT: So long as Lessee shall observe, perform and faithfully keep all of the terms, conditions and covenants of this Lease, Lessee shall be entitled to peaceable, exclusive and quiet enjoyment of the Premises free and clear of any claim by Lessor or any person claiming by or through Lessor.

15. LIENS OR ENCUMBRANCES: Lessee will not permit any liens or other charges to encumber the Premises or Building and will promptly pay and discharge any obligation which could, under any circumstances, become a lien upon the real property and improvements thereon.

16. DEFAULT: The following occurrences shall each be deemed an Event of Default by Lessee:

(a) Failure to Pay. Lessee fails to pay any sum, including rent, due under this Lease following five (5) days written notice from Lessor of the failure to pay.

(b) Vacation/Abandonment. Lessee vacates the Premises (defined as an absence for at least fifteen (15) consecutive days without prior notice to Lessor), or Lessee abandons the Premises (defined as an absence of five (5) days or more while

Lessee is in breach of some other term of this Lease). Lessee's vacation or abandonment of the Premises shall not be subject to any notice or right to cure.

(c) Insolvency. Lessee becomes insolvent, voluntarily or involuntarily bankrupt, or a receiver, assignee or other liquidating officer is appointed for Lessee'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.

(d) Levy or Execution. Lessee's interest in this Lease or the Premises, or any part thereof, is taken by execution or other process of law directed against Lessee, or is taken upon or subjected to any attachment by any creditor of Lessee, if such attachment is not discharged with fifteen (15) days after being levied.

(e) Other Non-Monetary Defaults. Lessee breaches any agreement, term or covenant of this Lease other than one requiring the payment of money and not otherwise enumerated in this Section, and the breach continues for a period of thirty (30) days after notice by Lessor to Lessee of the breach unless breach cannot be cured within thirty (30) days in which case Lessee shall be in default unless it undertakes to cure breach within thirty (30) days and thereafter pursues the cure to completion with reasonable diligence.

17. REMEDIES: Lessor shall have the following remedies upon an Event of Default. Lessor'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. Lessor may terminate Lessee's interest under the Lease, but no act by Lessor other than written notice from Lessor to Lessee of termination shall terminate this Lease. The Lease shall terminate on the date specified in the notice of termination. Upon termination of this Lease, Lessee will remain liable to Lessor for damages in an amount equal to the rent and other sums that would have been owing by Lessee under this Lease for the balance of the Lease term, less the net proceeds, if any, of any reletting of the Premises by Lessor subsequent to the termination, after deducting all Lessor's reletting expenses (as defined below), provided Lessor makes reasonable efforts to mitigate damages. Lessor shall be entitled to either collect damages from Lessee monthly on the days on which rent or other amounts would have been payable under the Lease, or alternatively, Lessor may accelerate Lessee's obligations under the Lease and recover from Lessee: (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 amount of rent loss that Lessee proves could reasonably have been avoided; (iii) the amount by which the unpaid rent for the balance of the term of the Lease after the time of award exceeds the amount of rent loss that Lessee proves could reasonably be avoided (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 Lessor for all the detriment proximately caused by Lessee'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 in the following paragraph.

(b) Re-Entry and Reletting. Lessor may continue this Lease in full force and effect, and without demand or notice, re-enter and take possession of the Premises or any part thereof, expel Lessee from the Premises and anyone claiming through or under Lessee, and remove the personal property of either. Lessor may relet the Premises, or any part of them, in Lessor's or Lessee's name for the account of Lessee, for such period of time and at such other terms and conditions, as Lessor, in its discretion, may determine. Lessor may collect and receive the rents for the Premises. Re-entry or taking possession of the Premises by Lessor under this Section shall not be construed as an election on Lessor's part to terminate this Lease, unless a written notice of termination is given to Lessee. Lessor reserves the right following any re-entry or reletting, or both, under this Section to exercise its right to terminate the Lease. During the Event of Default, Lessee will pay Lessor the rent and other sums which would be payable under this Lease if repossession had not occurred, plus the net proceeds, if any, after reletting the Premises, after deducting Lessor's reletting expenses. "Reletting expenses" is defined to include all reasonable expenses incurred by Lessor 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 Lessee's property and equipment, and rent concessions granted by Lessor to any new lessee, prorated over the life of the new lease.

(c) Waiver of Redemption Rights. Upon termination of this Lease due to an Event of Default, Lessee, for itself, and on behalf of any and all persons claiming through or under Lessee, including creditors of all kinds, hereby waives and surrenders all rights and privileges which they may have under any present or future law, to redeem the Premises or to have a continuance of this Lease for the Lease term, as it may have been extended.

(d) Additional Rent. All sums due to Lessor pursuant to this Lease shall in the event of nonpayment be treated as if they were payments of rent, and Lessor shall have all the rights herein provided for in case of nonpayment of rent.

(e) Failure to Remove Property. If Lessee fails to remove any of its property from the Premises at Lessor's request following an uncured Event of Default, Lessor may, at its option, remove and store the property at Lessee's expense and risk. If Lessee does not pay the storage cost within ten (10) days of Lessor's request, Lessor may, at its option, dispose of such property in such manner as Lessor deems proper, without notice to Lessee. Lessor shall apply the proceeds, if any, of such disposal: (i) to the expense of disposal, including reasonable attorneys' fees actually incurred; (ii) to the payment of the costs or charges for storing such property; (iii) to the payment of any other sums of money which may then be or thereafter become due Lessor from Lessee under any of the terms hereof; and (iv) the balance, if any, to Lessee. Nothing in this Section shall limit Lessor's right to sell Lessee's personal property as permitted by law to foreclose Lessor's lien for unpaid rent.

18. **ATTORNEY'S FEES**: If either party commences any action to enforce any provision of this Lease or protect its interests in or to the Premises, the prevailing party therein shall be entitled to recover from the other party the prevailing party's costs and expenses, including reasonable attorney's fee incurred in such proceeding and on any appeals therefrom.

19. **INSURANCE**:

(a) **Liability Insurance**. During the Lease term, Lessee shall pay for and maintain commercial general liability insurance with broad form property damage and contractual liability endorsements. This policy shall name Lessor as an additional insured, and shall insure Lessee's activities and those of Lessee's employees, officers, contractors, licensees, agents, servants, guests, invitees or visitors with respect to the Premises against loss, damage or liability for personal injury or death or loss or damage to property with a combined single limit of not less than \$2,000,000. The insurance shall (i) be primary and noncontributing; (ii) contain cross-liability endorsements; and (iii) insure Lessor against Lessee's performance under Section 20(a), if the matters giving rise to the indemnity under Section 20(a) result from the negligence of Lessee, its agents or invitees.

(b) **Casualty Insurance**. During the Lease term, Lessee shall pay for and maintain all-risk coverage casualty insurance for its personal property on the Premises. Lessor is not responsible for loss by any cause to Lessee's personal property.

(c) **Miscellaneous**. Insurance required under this Section shall be with companies rated A-XV or better in Best's Insurance Guide, and which are authorized to transact business in the State of Washington. No insurance policy shall be canceled or reduced in coverage and each such policy shall provide that it is not subject to cancellation or a reduction in coverage except after thirty (30) days prior written notice to Lessor. Lessee shall deliver to Lessor upon the Commencement Date and from time to time thereafter as requested by Lessor, copies or certificates of the insurance policies required by this Section. In no event shall the limit of such policies be considered as limiting the liability of Lessee under this Lease.

(d) **Waiver of Subrogation**. Lessor and Lessee hereby release each other and any other lessee, 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 insurance required to be carried by each of them. Each party shall provide notice to the insurance carrier or carriers of this mutual waiver of subrogation, and shall cause its respective insurance carriers to waive all rights of subrogation against the other. This waiver shall not apply to the extent of the deductible amounts to any such policies or to the extent of liabilities exceeding the limits of such policies.

20. INDEMNIFICATION:

(a) Lessee shall defend, indemnify, and hold Lessor harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, arising from or related to any act, omission or negligence of Lessee, or Lessee's officers, contractors, licensees, agents, servants, employees, guests, invitees, or visitors on or about the Building or Premises, or arising from any breach of this Lease by Lessee. Lessee shall use legal counsel acceptable to Lessor in defense of any action within Lessee's defense obligation.

(b) Lessor shall not be liable for any damage or injury to person, business (or any loss of income therefrom), goods, wares, merchandise or other property of Lessee, Lessee's employees, invitees, customers or any other person in or about the Premises, whether such damage or injury is caused by or results from: (i) fire, steam, electricity, water, gas or rain; (ii) the breakage, leakage, obstruction or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures or any other cause; (iii) conditions arising in or about the Premises or upon other portions of the Building, or from other sources or places; or (iv) any act or omission of any other tenant of the Building. Lessor shall not be liable for any such damage or injury even though the cause of or the means of repairing such damage or injury are not accessible to Lessee. The provisions of this paragraph shall not, however, exempt Lessor from liability for Lessor's gross negligence or willful misconduct.

21. CONDITION OF PREMISES-MAINTENANCE AND RETURN:

A. Lessee accepts the Premises in its condition as of the execution of the Lease, "AS-IS" subject to all recorded matters, laws, ordinances and governmental regulations and orders. Except as provided herein, Lessee acknowledges that neither Lessor nor any agent of Lessor has made any representation as to the condition of the Premises or the suitability of the Premises for Lessee's intended use. Lessee represents that Lessee has made its own inspection of and inquiry regarding the condition of the Premises and is not relying on any representations of Lessor with respect thereto.

B. Lessee, as its sole cost and expense shall keep and use the Premises in compliance with applicable laws; shall make any changes therein required by governmental authorities and pay all governmental fees due with respect thereto; shall at all times keep and maintain the Premises and all appurtenances thereto in good order and repair and a clean and sanitary condition; and shall allow no nuisances to exist or be maintained therein. Lessee shall not commit waste or permit waste to be committed on, to, or about the Premises.

C. Upon termination of this Lease, Lessee shall return and surrender the Premises, and all keys thereto, broom clean and in good order, repair and condition, ordinary wear and tear excepted. Lessee shall remove all personal property and trade fixtures from the Premises and to restore the Premises in good condition, repairing any damage caused by the removal of such improvement. This duty shall survive termination of this Lease.

22. SALE BY LESSOR; PROTECTION OF LENDERS; ESTOPPELS:

(a) In the event of a sale or conveyance or transfer by Lessor of the Building, or the real estate containing the Premises, or Lessor's interest therein, the same shall operate to release Lessor from any future liability upon any of the covenants or conditions, expressed or implied herein contained in favor of Lessee, and Lessee agrees to attorn to the successor in interest. In addition, Lessor may transfer Lessee's security deposit to such transferee and Lessee shall look solely to such transferee for the return of such security deposit and agrees to hold Lessor harmless from any claim therefor whatsoever the circumstance.

(b) This Lease is subject to and is hereby subordinated to all present and future mortgages, deeds of trust and other encumbrances affecting the Premises, the Building or the property which the said Premises are a part. Lessee agrees to execute, without charge to Lessor, any instrument which may be deemed necessary or desirable by Lessor to further effect the subordination of this Lease to any mortgage, deed of trust, or encumbrances provided that Lessee's rights herein shall not be diminished.

(c) Lessee shall give written notice of any failure by Lessor to perform any of its obligations under this Lease to Lessor and to any ground lessor, mortgagee or beneficiary under any deed of trust encumbering the Premises whose name and address have been furnished to Lessee in writing. Lessor shall not be in default under this Lease unless Lessor (or such ground lessor, mortgagee or beneficiary) fails to cure such nonperformance within 30 days after receipt of Lessee's notice. However, if such nonperformance reasonably requires more than 30 days to cure, Lessor shall not be in default if such cure is commenced within such 30-day period and thereafter diligently pursued to completion

(d) Upon Lessor's written request, Lessee shall execute, acknowledge and deliver to Lessor a written statement certifying: (i) that none of the terms or provisions of this Lease have been changed (or if they have been changed, stating how they have been changed); (ii) that this Lease has not been cancelled or terminated; (iii) the last date of payment of monthly rent and other charges and the time period covered by such payment; (iv) that Lessor is not in default under this Lease (or, if Lessor is claimed to be in default, stating why); and (v) such other representations or information with respect to Lessee or the Lease as Lessor may reasonably request or which any prospective purchaser or encumbrancer of the Premises may require. Lessee shall deliver such statement to Lessor within ten days after Lessor's request. Lessor may give any such statement by Lessee to any prospective purchaser or encumbrancer of the Premises. Such purchaser or encumbrancer may rely conclusively upon such statement as true and correct. If Lessee does not deliver such statement to Lessor within ten (10) days after Lessor's request, then Lessor and any prospective purchaser or encumbrancer may conclusively presume and rely upon the following facts: (i) that the terms and provisions of this Lease have not been changed except as otherwise represented by Lessor; (ii) that this Lease has not been cancelled or terminated except as otherwise represented by Lessor; (iii) that not more than one month's rent or other charges have been paid in

advance; and (iv) that Lessor is not in default under the Lease. In such event, Lessee shall be estopped from denying the truth of such facts.

23. HOLDING OVER: If Lessee remains in possession of the Premises after the expiration of this Lease, without a written lease, it shall be deemed to occupy and using the same as a lessee from month-to-month, subject to all the conditions, provisions, and obligations of this Lease, except rent, insofar as they may be applicable to such month-to-month tenancy. The monthly rent will be 130% of the last monthly rent under this Lease.

24. NOTICES: All notices to be given hereunder must be given in writing by depositing the same in the United States Mail, postage prepaid, registered or certified mail, return receipt requested, addressed:

If to Lessor: Bellingham Towers, LLC
119 N. Commercial St., Suite 165
Bellingham, WA 98225

If to Lessee: Whatcom County, a municipal corporation
119 N. Commercial St., Suite 110
Bellingham, WA 98225

25. SUCCESSORS IN INTEREST: All obligations of the parties hereunder shall be binding on any successors in interest.

26. WAIVER: Neither the acceptance of rental nor any other act or omission of Lessor at any time or times after the happening of any breach or default by Lessee hereunder, shall operate as a waiver of any past or future violation, breach or failure to keep or perform any covenant, agreement, term or condition hereof or to deprive Lessor of their right to cancel or forfeit this Lease.

27. SEVERABILITY: If any provision of this Lease is construed to be invalid for whatever reason, that provision alone shall be invalid and not invalidate the remaining provisions of the document.

28. RIDERS, ADDENDUM AND EXHIBITS: Riders, Addenda and Exhibits attached to this Lease are incorporated into this Lease and made a part hereto.

29. TIME OF THE ESSENSE/FORCE MAJEURE: Whenever a period of time is herein prescribed for action to be taken by either party (other than with respect to the payment of rent or other sums by Lessee) such party shall not be liable or responsible for, and there shall be excluded from the computation of any such period of time, any delays due to strikes, riots, acts of God, shortages of labor or materials, was governmental laws, regulations of restrictions or any other causes of any kind whatsoever which are beyond the reasonable control of such party (collectively "Force Majeure"); provided however, that both parties shall use their best reasonable efforts to mitigate the effects of such occurrences with respect to the required action. Notwithstanding any provision in

this Lease to the contrary, Force Majeure shall not include the financial inability of the party required to take the prescribed action. Subject to the provisions of this section, time is of the essence with respect to each and every provision of this Lease.

30. CHOICE OF LAW: This Lease has been made in and its validity, performance and effect shall be determined in accordance with the internal laws of the jurisdiction in which the Premises are located.

31. RELATIONSHIP OF THE PARTIES: Lessor and Lessee shall not be deemed to be joint venturers or partners of one another, and neither party shall have any power to bind or obligate the other whatsoever.

32. HEADINGS: The headings of sections in this Lease are for convenience only, they form no part of this Lease and shall not affect its interpretation.

33. INTEGRATION: This writing represents the entire agreement and understanding of the parties with respect to the subject matter hereof and supersedes and all previous agreements of whatever nature between the parties with respect to the subject matter, it may not be altered or amended except by an agreement in writing signed by both parties.

34. LIMITATION OF LIABILITY: Notwithstanding any term or provision herein to the contrary, the liability of Lessor for the performance of its duties and obligations under this Lease is limited to Lessor's interest in the Building and neither the Lessor nor its partners, shareholders, members, officers or other principals shall have any personal liability under this Lease.

35. JOINT AND SEVERAL LIABILITY: All parties signing this Lease as Lessee shall be jointly and severally liable for all obligations of Lessee.

36. BROKERS: Each party shall indemnify and hold the other party harmless from and against any claim for a commission owed or alleged to be owed by the indemnifying party in connection with this Lease.

37. COUNTERPARTS: This Lease may be executed in counterparts which together shall constitute one and the same instrument.

[signatures on following page]

IN WITNESS WHEREOF, the parties have executed this instrument on the ___ day of September, 2024.

Lessor

Bellingham Towers, LLC

By: _____
Printed Name: _____
Title: Property Manager

DATE: _____, 2024
Telephone: (360) 647-1916

Lessee

Whatcom County, a municipal corporation

Satpal Sidhu,
Whatcom County Executive

DATE: _____, 2024
Telephone: (360) 778-5710

Approved as to form.

Christopher Quinn,
Chief Civil Deputy
Whatcom County Prosecuting Attorney's
Office

State of Washington)
) ss.
County of Whatcom)

On this day personally appeared before me _____, known to me to be the Building Manager of Bellingham Towers, LLC, a Washington Limited Liability Company, and acknowledged that he signed the same as his free and voluntary act and on oath stated that his powers authorizing the execution of this instrument have not been revoked.

GIVEN under my hand and official seal this ____ day of September, 2024.

Notary Public in and for the State of
Washington, residing in Bellingham
My commission expires _____

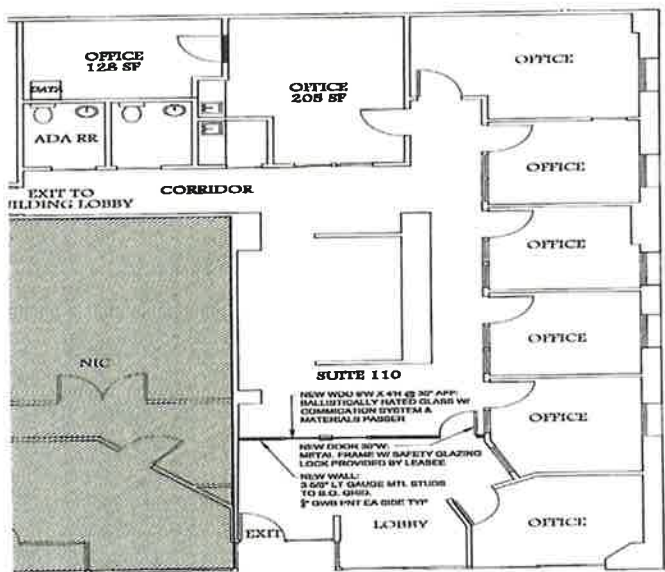
State of Washington)
) ss.
County of Whatcom)

On this day personally appeared before me _____, known to me to be the individual described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this ____ day of September, 2024.

Notary Public in and for the State of
Washington, residing in Bellingham
My commission expires _____

EXHIBIT A
(Floor plan)



 **PROPOSED FLOOR PLAN**
SCALE: 1/8" = 1'-0"

EXHIBIT "B"

The Lessee shall have Five (5), One (1) year options to extend this Lease, to be exercised only as hereinafter provided, following the initial term hereof, but only upon conditions that there is no default in the performance of any condition of this Lease at the time of the exercise of the option or at the time of commencement of this renewal period. The option shall only be exercised by Lessee delivering written notice thereof to the Lessor not less than sixty (60) days prior to the expiration of the previous term. The terms and conditions during the renewal period shall be the same as the terms and conditions during the original term of this Lease, with rent as follows:

Option Year One	\$6,490.00 /month
Option Year Two	\$6,685.00 /month
Option Year Three	\$6,885.00 /month
Option Year Four	\$7,115.00 /month
Option Year Five	\$7,400.00/month