

**WHATCOM COUNTY
ADMINISTRATIVE SERVICES**
Whatcom County Courthouse
311 Grand Ave, Suite 108
Bellingham, WA 98225-4083



FACILITIES MANAGEMENT
3720 Williamson Way
Bellingham, WA 98226-9156
Phone: (360) 778-5360
Fax: (360) 778-5361
Facilities@co.whatcom.wa.us

ROB NEY
Project & Operations Manager

November 17, 2022

TO: John Templeton via EMAIL john@johntempleton.com

LETTER OF INTENT VERSION 3

The following terms and conditions will serve as evidence of the Parties' Intent to Lease.

LESSOR: Unity-Flora Development LLC

LESSEE: Whatcom County

PREMISES: 104 Unity Street
Bellingham, WA 98225
Whatcom County Assessor Parcel 380330238233
Legal Descriptions: Lots 12&13, Block 4, Cornwall Avenue
Subdivision (legal to be provided by Owner/lessor)

LEASABLE AREA/BUILDING SIZE: Approximately 2,831 SF office, 9,933 SF building

PARCEL SIZE: ~~Approximately 0.31 Acres~~ *8*

FEASIBILITY: 15 days

LEASE COMMENCEMENT: December 7th or as close to as possible, and contingent upon Council approval 12/6/22

LOI PERIOD: Both parties agree to negotiate in good faith on this Letter of Intent (LOI) to reach terms for a Lease of Property agreement within 14 days from the date of this letter.

AGENCY DISCLOSURE: John Templeton, Windermere Whatcom County is the Leasing Agent of record for the Owner. By execution below, both parties hereby represent that they have been given a copy of the pamphlet. "The Law of Real Estate Agency".

This proposal is non-binding and does not represent any contractual obligation or infer that any other rights exist between Purchaser and Owner, until such legally binding Purchase and Sale is executed by both parties.

If these terms and conditions are acceptable, please signify your approval by signing below and returning this original copy.

Acknowledged by: B. Robney, for the Lessee.

Acknowledged by: John R. Pudis II, for the Lessor.

TERMS OF LEASE

Lessor Shall:

- A. Repair all cosmetic wall damage prior to occupancy, can coincide with lessee work occurring pre-occupancy
- B. Allow Access during negotiations to further resolve logistic issues
- C. Provide pre-lease access to basement to identify high and low voltage wires serving the open office area fed from below. And grant access during the lease for repair, install and maintenance of these improvements, as needed.
- D. During the lease, allow Lessee to make minor improvements to the property by a licensed general contractor, at lessee expense, after receiving prior approval from lessor.
- E. Provide three (3) dedicated parking stalls for the lessee throughout the duration of the lease

Lessee Shall:

- A Assume Snow Removal responsibility

LEASE TYPE Gross Y1 and Y2
NNN +CPI increases Y3, Y4 and Y5

LEASE TERM: 5 Years

UTILITIES: Paid by Tennant/lessee, including power/electrical, natural gas (if applicable), internet, phone, and garbage. It is assumed Potable Water and sewer and paid by Lessee/Owner, please confirm

RATE: Year 1 \$3,563
Year 2 \$3,563 (no change)
Year 3, Y2 + CPI + NNN
Year 4, Y3+ CPI + NNN
Year 5, Y4+ CPI + NNN

Renewal Option: 3-year renewal option
Year 6, Y5 + CPI + NNN
Year 7, Y6 + CPI + NNN
Year 8, Y7 + CPI + NNN

2022 NNN Fees for reference:

Property Tax \$3,375

Insurance \$3,113

Util/R&M \$700

Snow Removal \$2,100

Total 21/22: \$9,288

Assumed Monthly NNN Rate (adjusted annually as necessary): \$744