

- 2. PREMISES.**
- a. **Lease of Premises.** Landlord leases to Tenant, and Tenant leases from Landlord, the Premises upon the terms specified in this Lease.
  - b. **Acceptance of Premises.** Except as specified elsewhere in this Lease, Landlord makes no representations or warranties to Tenant regarding the Premises, including the structural condition of the Premises or the condition of all mechanical, electrical, and other systems on the Premises. Except for any tenant improvements to be completed by Landlord as described on attached Exhibit C (the "Landlord's Work"), Tenant shall be responsible for performing any work necessary to bring the Premises into a condition satisfactory to Tenant. By signing this Lease, Tenant acknowledges that it has had an adequate opportunity to investigate the Premises; acknowledges responsibility for making any corrections, alterations and repairs to the Premises (other than the Landlord's Work); and acknowledges that the time needed to complete any such items shall not delay the Commencement Date.
  - c. **Tenant Improvements.** Attached Exhibit C sets forth all Landlord's Work, if any, and all tenant improvements to be completed by Tenant (the "Tenant's Work"), if any, that will be performed on the Premises. Responsibility for design, payment and performance of all such work shall be as set forth on attached Exhibit C. If Tenant fails to notify Landlord of any defects in the Landlord's Work within thirty (30) days of delivery of possession to Tenant, Tenant shall be deemed to have accepted the Premises in their then condition. If Tenant discovers any major defects in the Landlord's Work during this 30-day period that would prevent Tenant from using the Premises for the Permitted Use, Tenant shall notify Landlord and the Commencement Date shall be delayed until after Landlord has notified Tenant that Landlord has corrected the major defects and Tenant has had five (5) days to inspect and approve the Premises. The Commencement Date shall not be delayed if Tenant's inspection reveals minor defects in the Landlord's Work that will not prevent Tenant from using the Premises for the Permitted Use. Tenant shall prepare a punch list of all minor defects in Landlord's Work and provide the punch list to Landlord, which Landlord shall promptly correct.

i. **Tenant's Pro Rata Share.** Landlord and Tenant agree that Tenant's Pro Rata Share is 34%, based on the ratio of the agreed rentable area of the Premises to the agreed rentable area of the Building and all other buildings on the Property as of the date of this Lease. Any adjustment to the Premises' or Building's rentable floor area measurements will be reflected in an adjustment to Tenant's Base Rent or Pro Rata Share.

**h. Notice and Payment Addresses.**

Landlord:	<u>Angel Industrial LLC</u>
	<u>1200 Westlake Avenue North, Suite 310</u>
	<u>Seattle, WA 98109</u>
Fax No.:	<u>206-971-5031</u>
Email:	<u>little@westlakeassociates.com</u>
Tenant:	<u>Svenson &amp; Svenson Liquidators, Inc.</u>
	<u>935 Vandercook Way</u>
	<u>Longview, WA 98632</u>
Fax No.:	<u>home (360) 271-2196; work 360-957-4956</u>
Email:	<u>svensoncameron@yahoo.com</u>

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term timely exercised by Tenant) then either Tenant or Landlord may elect to terminate the Lease. If, within sixty (60) days after receipt by Landlord from Tenant of written notice that Tenant deems the Premises or the portion of the Property necessary for Tenant's occupancy untenable, Landlord fails to notify Tenant of its election to restore those areas, or if Landlord is unable to restore those areas within six (6) months of the date of the casualty event, then Tenant may elect to terminate the Lease upon twenty (20) days' notice to Landlord unless Landlord, within such twenty (20) day period, notifies Tenant that it will in fact restore the Premises or actually completes such restoration work to the extent required below, as applicable.

If Landlord restores the Premises or the Property under this Section, Landlord shall proceed with reasonable diligence to complete the work, and the Rent shall be abated in the same proportion as the untenable portion of the Premises bears to the whole Premises, provided that there shall be a Rent abatement only if the damage or destruction of the Premises or the Property did not result from, or was not contributed to directly or indirectly by the act, fault or neglect of Tenant, or Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees. No damages, compensation or claim shall be payable by Landlord for inconvenience, loss of business or annoyance directly, incidentally or consequentially arising from any repair or restoration of any portion of the Premises or the Property. Landlord shall have no obligation to carry insurance of any kind for the protection of Tenant; any alterations or improvements paid for by Tenant; any Tenant's Work identified in Exhibit C (regardless of who may have completed them); Tenant's furniture; or on any fixtures, equipment, improvements or appurtenances of Tenant under this Lease, and Landlord's restoration obligations hereunder shall not include any obligation to repair any damage thereto or replace the same.

**b. Condemnation.** If the Premises, the portion of the Building or the Property necessary for Tenant's occupancy, or 50% or more of the rentable area of the Property are made untenable by eminent domain, or conveyed under a threat of condemnation, this Lease shall terminate at the option of either Landlord or Tenant as of the earlier of the date title vests in the condemning authority or the condemning authority first has possession of the Premises or the portion of the Property taken by the condemning authority. All Rents and other payments shall be paid to that date.

If the condemning authority takes a portion of the Premises or of the Building or the Property necessary for Tenant's occupancy that does not render them untenable, then this Lease shall continue in full force and effect and the Rent shall be equitably reduced based on the proportion by which the floor area of any structures is reduced. The reduction in Rent shall be effective on the earlier of the date the condemning authority first has possession of such portion or title vests in the condemning authority. The Premises or the portion of the Building or the Property necessary for Tenant's occupancy shall not be deemed untenable if twenty-five percent (25%) or less of each of those areas are condemned. Landlord shall be entitled to the entire award from the condemning authority attributable to the value of the Premises or the Building or the Property and Tenant shall make no claim for the value of its leasehold. Tenant shall be permitted to make a separate claim against the condemning authority for moving expenses if Tenant may terminate the Lease under this Section, provided that in no event shall Tenant's claim reduce Landlord's award.

## 17. INSURANCE

**a. Tenant's Liability Insurance.** During the Lease term, Tenant shall pay for and maintain commercial general liability insurance with broad form property damage and contractual liability endorsements. This policy shall name Landlord, its property manager (if any), and other parties designated by Landlord as additional insureds using an endorsement form acceptable to Landlord, and shall insure Tenant's activities

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- e. **Waiver of Subrogation.** 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. This waiver shall not apply to the extent of the deductible amounts to any such property policies or to the extent of liabilities exceeding the limits of such policies.
  - d. **Landlord's Insurance.** Landlord shall carry special form clauses of loss coverage property insurance of the Building shell and core in the amount of their full replacement value, liability insurance with respect to the Common Areas, and such other insurance of such types and amounts as Landlord, in its discretion, shall deem reasonably appropriate. The cost of any such insurance shall be included in the Operating Costs, and if such insurance is provided by a "blanket policy" insuring other parties or locations in addition to the Building, then only the portion of the premiums allocable to the Building and Property shall be included in the Operating Costs.
  - c. **Miscellaneous.** Tenant's insurance required under this Section shall be with companies rated A-/VII or better in Best's Insurance Guide, and which are admitted in the State in which the Premises are located. No insurance policy shall be cancelled 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 Landlord. Tenant shall deliver to Landlord upon commencement of the Lease and from time to time thereafter, copies of the insurance policies or evidence of insurance and copies of endorsements required by this Section. In no event shall the limits of such policies be considered as limiting the liability of Tenant under this Lease. If Tenant fails to acquire or maintain any insurance or provide any policy or evidence of insurance required by this Section, but shall not be required to, obtain such insurance for Landlord's benefit and Landlord shall reimburse Landlord for the costs of such insurance upon demand. Such amounts shall be Additional Rent payable by Tenant hereunder and in the event of non-payment thereof, Landlord shall have the same rights and remedies with respect to such non-payment as it has with respect to any other non-payment of Rent hereunder.
  - b. **Tenant's Property Insurance.** During the Lease term, Tenant shall pay for and maintain special form clauses of loss coverage property insurance (with coverage for earthquake if required by Landlord's lender and, if the Premises are situated in a flood plain, flood damage) for all of Tenant's personal property, fixtures and equipment in the amount of their full replacement value, with a deductible of not more than \$10,000.
- and those of Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees with respect to the Premises against loss, damage or liability for personal injury or bodily injury (including death) or loss or damage to property with a combined single limit of not less than \$2,000,000, and a deductible of not more than \$10,000. Tenant's insurance will be primary and noncontributory with any liability insurance carried by Landlord. Landlord may also require Tenant to obtain and maintain business income coverage for at least six (6) months, business auto liability coverage, and, if applicable to Tenant's Permitted Use, liquor liability insurance and/or warehouseman's coverage.

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As a condition to Landlord's approval, if given, any potential assignee or sublessee otherwise approved by Landlord shall assume all obligations of Tenant under this Lease and shall be jointly and severally liable with Tenant and any guarantor, if required, for the payment of Rent and performance of all terms of this Lease. In connection with any Transfer, Tenant shall provide Landlord with copies of all assignments, subleases and assumption agreement or documents.

If Tenant is a partnership, limited liability company, corporation, or other entity, any transfer of this Lease by merger, consolidation, redemption or liquidation, or any change in the ownership of, or power to vote, which singularly or collectively represents a majority of the beneficial interest in Tenant, shall constitute a Transfer under this Section.

As a condition to Landlord's approval, if given, any potential assignee or sublessee otherwise approved by Landlord shall assume all obligations of Tenant under this Lease and shall be jointly and severally liable with Tenant and any guarantor, if required, for the payment of Rent and performance of all terms of this Lease. In connection with any subsequent Transfer. In connection with each request for consent to a Transfer, Tenant shall pay the reasonable cost of processing same, including attorneys' fees, upon demand of Landlord, up to a maximum of \$1,250.

No Transfer shall relieve Tenant of any liability under this Lease notwithstanding Landlord's consent to such Transfer. Consent to any Transfer shall not operate as a waiver of the necessity for Landlord's consent to first obtaining Landlord's written consent, which shall not be unreasonably withheld, conditioned, or delayed.

19. **ASSIGNMENT AND SUBLETTING.** Tenant shall not assign, sublet, mortgage, encumber or otherwise transfer any interest in this Lease (collectively referred to as a "Transfer") or any part of the Premises, without the prior written consent of Landlord, which shall not be unreasonably withheld, conditioned, or delayed. No Transfer shall relieve Tenant of any liability under this Lease notwithstanding Landlord's consent to such Transfer. Consent to any Transfer shall not operate as a waiver of the necessity for Landlord's consent to first obtaining Landlord's written consent, which shall not be unreasonably withheld, conditioned, or delayed.

**d. Exemption of Landlord from Liability.** Except to the extent of claims arising out of Landlord's gross negligence or intentional misconduct, Landlord shall not be liable for injury to Tenant's business or assets or any loss of income therefrom or for damage to any property of Tenant or of its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, or any other person in or about the Premises or the Property.

**e. Survival.** The provisions of this Section 18 shall survive expiration or termination of this Lease.

**b. Indemnification by Landlord.** Landlord shall defend, indemnify and hold Tenant harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, for personal injury, bodily injury (including death) or property damage arising from any negligent or wrongful act or omission of Landlord or Landlord's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees on or around the Premises or the Property, or arising from any breach of this Lease by Landlord. Landlord shall use legal counsel reasonably acceptable to Tenant in defense of any action within Landlord's defense obligation.

**c. Waiver of Immunity.** Landlord and Tenant each specifically and expressly waive any immunity that each may be granted under the Washington State Industrial Insurance Act, Title 51 RCW. Neither party's indemnity obligations under this Lease shall be limited by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under the Worker Compensation Act, Disability Benefit Acts or other employee benefit acts.

**a. Indemnification by Tenant.** Tenant shall defend, indemnify, and hold Landlord and its property manager (if any) harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, for personal injury, bodily injury (including death) or property damage arising from any negligent or wrongful act or omission of Tenant or Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees on or around the Premises or the Property, or arising from any breach of this Lease by Tenant. Tenant shall use legal counsel reasonably acceptable to Landlord in defense of any action within Tenant's defense obligation.

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**20. LIENS.** Tenant shall not subject the Landlord's assets 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.

**21. DEFAULT.** The following occurrences shall each constitute a default by Tenant (an "Event of Default"):

**a. Failure To Pay.** Failure by Tenant to pay any sum, including Rent, due under this Lease following five (5) days' notice from Landlord of the failure to pay.

**b. Vacation/Abandonment.** Vacation by Tenant of the Premises (defined as an absence for at least fifteen (15) consecutive days without prior notice to Landlord), or abandonment by Tenant of the Premises (defined as an absence of five (5) days or more while Tenant is in breach of some other term of this Lease). Tenant's vacation or abandonment of the Premises shall not be subject to any notice or right to cure.

**c. Insolvency.** Tenant's insolvency or bankruptcy (whether voluntary or involuntary); or appointment of a receiver, assignee or other liquidating officer for Tenant's business; provided, however, 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.** The taking of Tenant's interest in this Lease or the Premises, or any part thereof, by execution or other process of law directed against Tenant, or attachment of Tenant's interest in this Lease by any creditor of Tenant, if such attachment is not discharged within fifteen (15) days after being levied.

**e. Other Non-Monetary Defaults.** The breach by Tenant of 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, which breach continues for a period of thirty (30) days after notice by Landlord to Tenant of the breach.

**f. Failure to Take Possession.** Failure by Tenant to take possession of the Premises on the Commencement Date or failure by Tenant to commence any Tenant Improvement in a timely fashion. Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event less than thirty (30) days after notice by Tenant to Landlord. If Landlord fails to cure any such default within the allotted time, Tenant's sole remedy shall be to seek actual money damages (but not consequential or punitive damages) for loss arising from Landlord's failure to discharge its obligations under this Lease. Nothing herein contained shall relieve Landlord from its duty to perform any of its obligations to the standard prescribed in this Lease.

Any notice periods granted herein shall be deemed to run concurrently with and not in addition to any default notice periods required by law.

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**22. 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 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 Lease term, less the net proceeds, if any, of any reletting of the Premises by Landlord subsequent to the termination, after deducting all of 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 amount of rent loss that Tenant 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 Tenant 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 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.

**b. Re-Entry and Reletting.** Landlord 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 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 Reletting Expenses (defined below); 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 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 and 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 and costs for securing new tenants, attorneys' fees, remodeling and repair costs, costs for removing persons or property, costs for storing Tenant's property and equipment, and costs of tenant improvements and rent concessions granted by Landlord to any new Tenant, prorated over the life of the new lease.

**c. Waiver of Redemption Rights.** Tenant, for itself, and on behalf of any and all persons claiming through or under Tenant, 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, or any extension thereof.

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**26. NOTICES.**

All notices under this Lease shall be in writing and effective (i) when delivered in person or via overnight courier to the other party, (ii) three (3) days after being sent by registered or certified mail to the other party at the address set forth in Section 1, or (iii) upon confirmed transmission by facsimile to the other party at the facsimile numbers set forth in Section 1. The addresses for notices and payment of rent set forth in Section 1 may be modified by either party only by written notice delivered in conformance with this Section.

**25. HOLDOVER.**

If Tenant shall, without the written consent of Landlord, remain in possession of the Premises and fail to return them to Landlord after the expiration or termination of this Lease, the tenancy shall be a holdover tenancy and shall be on a month-to-month basis, which may be terminated according to Washington law. During such tenancy, Tenant agrees to pay to Landlord 150% of the rate of rental last payable under this Lease, unless a different rate is agreed upon by Landlord. All other terms of the Lease shall remain in effect. Tenant acknowledges and agrees that this Section does not grant any right to Tenant to holdover, and that Tenant may also be liable to Landlord for any and all damages or expenses which Landlord may have to incur as a result of Tenant's holdover.

**24. NON-WAIVER.**

Landlord's waiver of any breach of any provision contained in this Lease shall not be deemed to be a waiver of the same provision for subsequent acts of Tenant. The acceptance by Landlord of Rent or other amounts due by Tenant hereunder shall not be deemed to be a waiver of any previous breach by Tenant.

**23. MORTGAGE SUBORDINATION AND ATTORNEY'S FEES.**

This Lease shall automatically be subordinate to any mortgage or deed of trust created by Landlord which is now existing or hereafter placed upon the Premises including any advances, interest, modifications, renewals, replacements or extensions ("Landlord's Mortgage"). Tenant shall attorn to the holder of any Landlord's Mortgage or any party acquiring the Premises at any sale or other proceeding under any Landlord's Mortgage provided the acquiring party assumes the obligations of Landlord under this Lease. Tenant shall promptly and in no event later than fifteen (15) days after request execute, acknowledge and deliver documents which the holder of any Landlord's Mortgage may reasonably require as further evidence of this subordination and attornment. Notwithstanding the foregoing, Tenant's obligations under this Section to subordinate in the future are conditioned on the holder of each Landlord's Mortgage and each party acquiring the Premises at any sale or other proceeding under any such Landlord's Mortgage not disturbing Tenant's occupancy and other rights under this Lease, so long as no unincurred Event of Default by Tenant exists.

**d. Nonpayment of Additional Rent.**

All costs which Tenant is obligated to pay to Landlord pursuant to this Lease shall in the event of nonpayment be treated as if they were payments of Rent, and Landlord shall have the same rights it has with respect to nonpayment of Rent.

**e. Failure to Remove Property.**

If Tenant fails to remove any of its property from the Premises at Landlord's request following an unincurred Event of Default, Landlord may, at its option, remove and store the property at Tenant's expense and risk. If Tenant does not pay the storage cost within five (5) days of Landlord's request, Landlord may, at its option, have any or all of such property sold at public or private sale (and Landlord may become a purchaser at such sale), in such manner as Landlord deems proper, without notice to Tenant. Landlord shall apply the proceeds of such sale: (i) to the expense of such sale, 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 Landlord from Tenant under any of the terms hereof; and (iv) the balance, if any, to Tenant. Nothing in this Section shall limit Landlord's right to sell Tenant's personal property as permitted by law or to foreclose Landlord's lien for unpaid rent.

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- 27. COSTS AND ATTORNEYS' FEES.** If Tenant or Landlord engage the services of an attorney to collect monies due or to bring any action for any relief against the other, declaratory or otherwise, arising out of this Lease, including any suit by Landlord for the recovery of Rent or other payments, or possession of the Premises, the losing party shall pay the prevailing party a reasonable sum for attorneys' fees in such action, whether in mediation or arbitration, at trial, on appeal, or in any bankruptcy proceeding.
- 28. ESTOPPEL CERTIFICATES.** Tenant shall, from time to time, upon written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement specifying the following, subject to any modifications necessary to make such statements true and complete: (i) the total rentable square footage of the Premises; (ii) the date the Lease term commenced and the date it expires; (iii) the amount of minimum monthly Rent and the date to which such Rent has been paid; (iv) that this Lease is in full force and effect and has not been assigned, modified, supplemented or amended in any way; (v) that this Lease represents the entire agreement between the parties; (vi) that all obligations under this Lease to be performed by either party have been satisfied; (vii) that there are no existing claims, defenses or offsets which the Tenant has against the enforcement of this Lease by Landlord; (viii) the amount of Rent, if any, that Tenant paid in advance; (ix) the amount of security that Tenant deposited with Landlord; (x) if Tenant has sublet all or a portion of the Premises or assigned its interest in the Lease and to whom; (xi) if Tenant has any option to extend the Lease or option to purchase the Premises; and (xii) such other factual matters concerning the Lease or the Premises as Landlord may reasonably request. Tenant acknowledges and agrees that any statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or assignee of any mortgage or new mortgage of Landlord's interest in the Premises. If Tenant shall fail to respond within ten (10) days to Landlord's request for the statement required by this Section, Landlord may provide the statement and Tenant shall be deemed to have admitted the accuracy of the information provided by Landlord.
- 29. TRANSFER OF LANDLORD'S INTEREST.** This Lease shall be assignable by Landlord without the consent of Tenant. In the event of any transfer or transfers of Landlord's interest in the Premises, other than a transfer for collateral purposes only, upon the assumption of this Lease by the transferee, Landlord shall be automatically relieved of obligations and liabilities accruing from and after the date of such transfer, including any liability for any retained security deposit or prepaid rent, for which the transferee shall be liable, and Tenant shall attorn to the transferee.
- 30. LANDLORD'S LIABILITY.** Anything in this Lease to the contrary notwithstanding, covenants, undertakings and agreements herein made on the part of Landlord are made and intended not as personal covenants, undertakings and agreements for the purpose of binding Landlord personally or the assets of Landlord but are made and intended for the purpose of binding only the Landlord's interest in the Premises, as the same may from time to time be encumbered. In no event shall Landlord or its partners, shareholders, or members, as the case may be, ever be personally liable hereunder.
- 31. 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 make any such payment or perform any such other act on Tenant's behalf. Tenant shall, within ten (10) days of 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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**34. MERGER.** The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger and shall, at the option of Landlord, terminate all or any existing subtenancies or may, at the option of Landlord, operate as an assignment to Landlord of any or all of such subtenancies.

**33. 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.

Without limiting the foregoing, if the presence of any Hazardous Material brought upon, kept or used in or about the Premises 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 Materials on the Premises or the Property, Tenant shall promptly take all actions, at its sole expense, as are necessary to return the Premises or 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 32 shall survive expiration or termination of this Lease.

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 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 or the Property; damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises or the Property; or elsewhere; damages arising from any adverse impact on marketing of space at the Premises or incurred or suffered by Landlord either during or after the Lease term. These indemnifications by Landlord and Tenant include, 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.

**32. 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. Landlord represents and warrants to Tenant that, to Landlord's knowledge without duty of investigation, there is no Hazardous Material on, in, or under the Premises as of the Commencement Date except as may otherwise have been disclosed to Tenant in writing before the execution of this Lease. If there is any Hazardous Material on, in, or under the Premises as of the Commencement Date which has been or thereafter becomes unlawfully released through no fault of Tenant, then Landlord shall indemnify, defend and hold Tenant harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including without limitation sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees, incurred or suffered by Tenant either during or after the Lease term as the result of such contamination.

(Continued)  
(Multi-Tenant Triple Net (NNN) Lease)  
**LEASE AGREEMENT**



- 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. **Brokers' Fees.** Tenant represents and warrants to Landlord that except for Tenant's Broker, if any, described and disclosed in Section 37 of this Lease, it has not engaged any broker, finder or other person who would be entitled to any commission or fees for the negotiation, execution or delivery of this Lease and shall indemnify and hold harmless Landlord against any loss, cost, liability or expense incurred by Landlord as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Tenant. Landlord represents and warrants to Tenant that except for Landlord's Broker, if any, described and disclosed in Section 37 of this Lease, it has not engaged any broker, finder or other person who would be entitled to any commission or fees for the negotiation, execution or delivery of this Lease and shall indemnify and hold harmless Tenant against any loss, cost, liability or expense incurred by Tenant as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements made or alleged to have been made by or on behalf of Landlord.
- c. **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 understandings 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 amended except in writing, signed by Landlord and Tenant.
- d. **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.
- 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, war or other strife.
- f. **Governing Law.** This Lease shall be governed by and construed in accordance with the laws of the State of Washington.
- g. **Memorandum of Lease.** Neither this Lease nor any memorandum or "short form" thereof shall be recorded without Landlord's prior consent.
- h. **Submission of Lease Form Not an Offer.** One party's submission of this Lease to the other for review shall not constitute an offer to lease the Premises. This Lease shall not become effective and binding upon Landlord and Tenant until it has been fully signed by both of them.
- i. **No Light, Air or View Easement.** Tenant has not been granted an easement or other right for light, air or view to or from the Premises. Any diminution or shutting off of light, air or view by any structure which may be erected on or adjacent to the Building shall in no way effect this Lease or the obligations of Tenant hereunder or impose any liability on Landlord.
- j. **Authority of Parties.** Each party signing this Lease represents and warrants to the other that it has the authority to enter into this Lease, that the execution and delivery of this Lease has been duly authorized, and that upon such execution and delivery, this Lease shall be binding upon and enforceable against the party on signing.
- k. **Time.** "Day" as used herein means a calendar day and "business day" means any day on which commercial banks are generally open for business in the state where the Premises are situated. Any period of time which would otherwise end on a non-business day shall be extended to the next following business day. Time is of the essence of this Lease.

35. GENERAL.

(Multi-Tenant Triple Net (NNN) Lease)  
(Continued)  
**LEASE AGREEMENT**





\_\_\_\_\_

\_\_\_\_\_

Other   \$ \_\_\_\_\_ per square foot of the Premises

% of the gross rent payable pursuant to the Lease  \_\_\_\_\_

\$  \_\_\_\_\_

Agency Disclosure paragraph above) as follows:

**38. COMMISSION AGREEMENT.** If Landlord has not entered into a listing agreement (or other compensation agreement with Landlord's Broker), Landlord agrees to pay a commission to Landlord's Broker (as identified in the

Estate Agency."

consent to such compensation. Landlord and Tenant confirm receipt of the pamphlet entitled "The Law of Real Estate Agency."

to this transaction unless otherwise disclosed on an attached addendum, in which case Landlord and Tenant Tenant's Broker, Landlord's Broker nor either of their Firms are receiving compensation from more than one party compensated based on a percentage of the rent or as otherwise disclosed on the attached addendum. Neither Firm are dual agents, Landlord and Tenant consent to Tenant's Broker, Landlord's Broker and their Firm being hereby consent to such dual agency. If Tenant's Broker, Landlord's Broker, their Supervising Brokers, or their acknowledge that the Broker, his or her Supervising Brokers, and his or her Firm are acting as dual agents and Landlord's Broker are the same real estate licensee who represents both parties, then both Landlord and Tenant Firm and both Tenant's and Landlord's Supervising Brokers acting as dual agents. If Tenant's Broker and real estate licensees affiliated with the same Firm, then both Tenant and Landlord confirm their consent to that performance (also collectively the "Supervising Brokers"). If Tenant's Broker and Landlord's Broker are different Tenant's Broker (if any such person is disclosed), and any managing brokers who supervise Tenant's Broker's "Supervising Brokers". In addition, this Agency Disclosure creates an agency relationship between Tenant, This Agency Disclosure creates an agency relationship between Landlord, Landlord's Broker (if any such person is disclosed), and any managing brokers who supervise Landlord's Broker's performance (collectively the "Supervising Brokers"). In addition, this Agency Disclosure creates an agency relationship between Tenant, Landlord's Broker (if any such person is disclosed), and any managing brokers who supervise Landlord's Broker's performance (collectively the "Supervising Brokers").

(insert both the name of the Broker and the Firm as licensed) (the "Tenant's Broker").

\_\_\_\_\_ by \_\_\_\_\_

(insert both the name of the Broker and the Firm as licensed) (the "Landlord's Broker"), and Tenant is represented

**37. AGENCY DISCLOSURE.** At the signing of this Lease, Landlord is represented by **Matthew Ruggles Little, of WESTLAKE ASSOCIATES, INC.**

- Rent Rider
- Arbitration Rider
- Letter of Credit Rider
- Guaranty of Tenant's Lease Obligations Rider
- Parking Rider
- Option to Extend Rider
- Rules and Regulations

IN THE RIDERS SHALL HAVE THE MEANING GIVEN TO THEM IN THE LEASE.

**CHECK THE BOX FOR ANY OF THE FOLLOWING THAT WILL APPLY. CAPITALIZED TERMS USED**

Exhibit A Floor Plan/Outline of the Premises

Exhibit B Legal Description of the Property

Exhibit C Tenant Improvement Schedule

thereof shall control over any inconsistent provision in the sections of this Lease;

**36. EXHIBITS AND RIDERS.** The following exhibits and riders are made a part of this Lease, and the terms

(Continued)

(Multi-Tenant Triple Net (NNN) Lease)

**LEASE AGREEMENT**



County Cannabis Cultivation Inc

ITS: President

BY Cameron Svenson

Cameron Svenson

TENANT

TENANT Svenson & Svenson Liquidators, Inc.

Cameron Svenson

ITS: Managing Member

BY Matthew Ruggles Little

Matthew Ruggles Little

LANDLORD

LANDLORD Angel Industrial LLC

IN WITNESS WHEREOF, this Lease has been executed the date and year first above written.

LANDLORD'S BROKER, TENANT'S BROKER AND THEIR FIRMS HAVE MADE NO REPRESENTATIONS OR WARRANTIES CONCERNING THE PREMISES; THE MEANING OF THE TERMS AND CONDITIONS OF THIS LEASE; LANDLORD'S OR TENANT'S FINANCIAL STANDING; ZONING OR COMPLIANCE OF THE PREMISES WITH APPLICABLE LAWS; SERVICE OR CAPACITY OF UTILITIES; OPERATING COSTS; OR HAZARDOUS MATERIALS. LANDLORD AND TENANT ARE EACH ADVISED TO SEEK INDEPENDENT LEGAL ADVICE ON THESE AND OTHER MATTERS ARISING UNDER THIS LEASE.

**38. BROKER PROVISIONS.**

Any commission shall be earned upon execution of this Lease, and paid one-half upon execution of the Lease and one-half upon occupancy of the Premises by Tenant. Landlord's Broker shall pay to Tenant's Broker (as identified in the Agency Disclosure paragraph above) the amount stated in a separate agreement between them or, if there is no agreement, \$ \_\_\_\_\_ or \_\_\_\_\_% (complete only one) of any commission paid to Landlord's Broker, within five (5) days after receipt by Landlord's Broker.

Landlord's Broker  shall not (shall not if not filled in) be entitled to a commission upon any expansion of the Premises pursuant to any right reserved to Tenant under the Lease, calculated  as provided above or  as follows \_\_\_\_\_ (if no box is checked, as provided above).

Tenant of the Lease term pursuant to any right reserved to Tenant under the Lease calculated  as provided above or  as follows \_\_\_\_\_ (if no box is checked, as provided above).

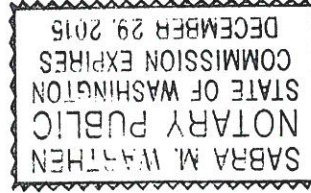
(Multi-Tenant Triple Net (NNN) Lease)  
(Continued)

**LEASE AGREEMENT**



175  
President  
Svenson





My appointment expires 12-29-15

Residing at Longview  
Notary public in and for the state of Washington

(Legibly Print or Stamp Name of Notary)  
Sabra M Warthen  
(Signature of Notary)

Sabra M Warthen

I certify that I know or have satisfactory evidence that Cameron Svenson is the person who appeared before me and said person acknowledged that Cameron Svenson signed this instrument, on oath stated that Cameron Svenson was authorized to execute the instrument and acknowledged it as the President of Svenson Svenson Inc to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument. Dated this 2nd day of October, 2014.

STATE OF WASHINGTON  
COUNTY OF Condittz

ss.

My appointment expires 04-19-15

Residing at Redmond, WA  
Notary public in and for the state of Washington

(Legibly Print or Stamp Name of Notary)  
Sherry G. Johnson  
(Signature of Notary)

Sherry G. Johnson



I certify that I know or have satisfactory evidence that Matthew Rucos WTR 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 the Member of Rucos WTR LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument. Dated this 7th day of January, 2015.

STATE OF WASHINGTON  
COUNTY OF King

ss.

(Continued)  
(Multi-Tenant Triple Net (NNN) Lease)  
**LEASE AGREEMENT**





My appointment expires \_\_\_\_\_  
Residing at \_\_\_\_\_  
Notary public in and for the state of Washington  
\_\_\_\_\_  
(Legibly Print or Stamp Name of Notary)  
\_\_\_\_\_  
(Signature of Notary)

I certify that I know or have satisfactory evidence that \_\_\_\_\_ is the person who appeared before me and said person acknowledged that \_\_\_\_\_ signed this instrument, on oath stated that \_\_\_\_\_ was authorized to execute the instrument and acknowledged it as the \_\_\_\_\_ of \_\_\_\_\_ to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument. Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

STATE OF WASHINGTON  
COUNTY OF \_\_\_\_\_

ss.

My appointment expires \_\_\_\_\_  
Residing at \_\_\_\_\_  
Notary public in and for the state of Washington  
\_\_\_\_\_  
(Legibly Print or Stamp Name of Notary)  
\_\_\_\_\_  
(Signature of Notary)

I certify that I know or have satisfactory evidence that \_\_\_\_\_ is the person who appeared before me and said person acknowledged that \_\_\_\_\_ signed this instrument, on oath stated that \_\_\_\_\_ was authorized to execute the instrument and acknowledged it as the \_\_\_\_\_ of \_\_\_\_\_ to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument. Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

STATE OF WASHINGTON  
COUNTY OF \_\_\_\_\_

ss.

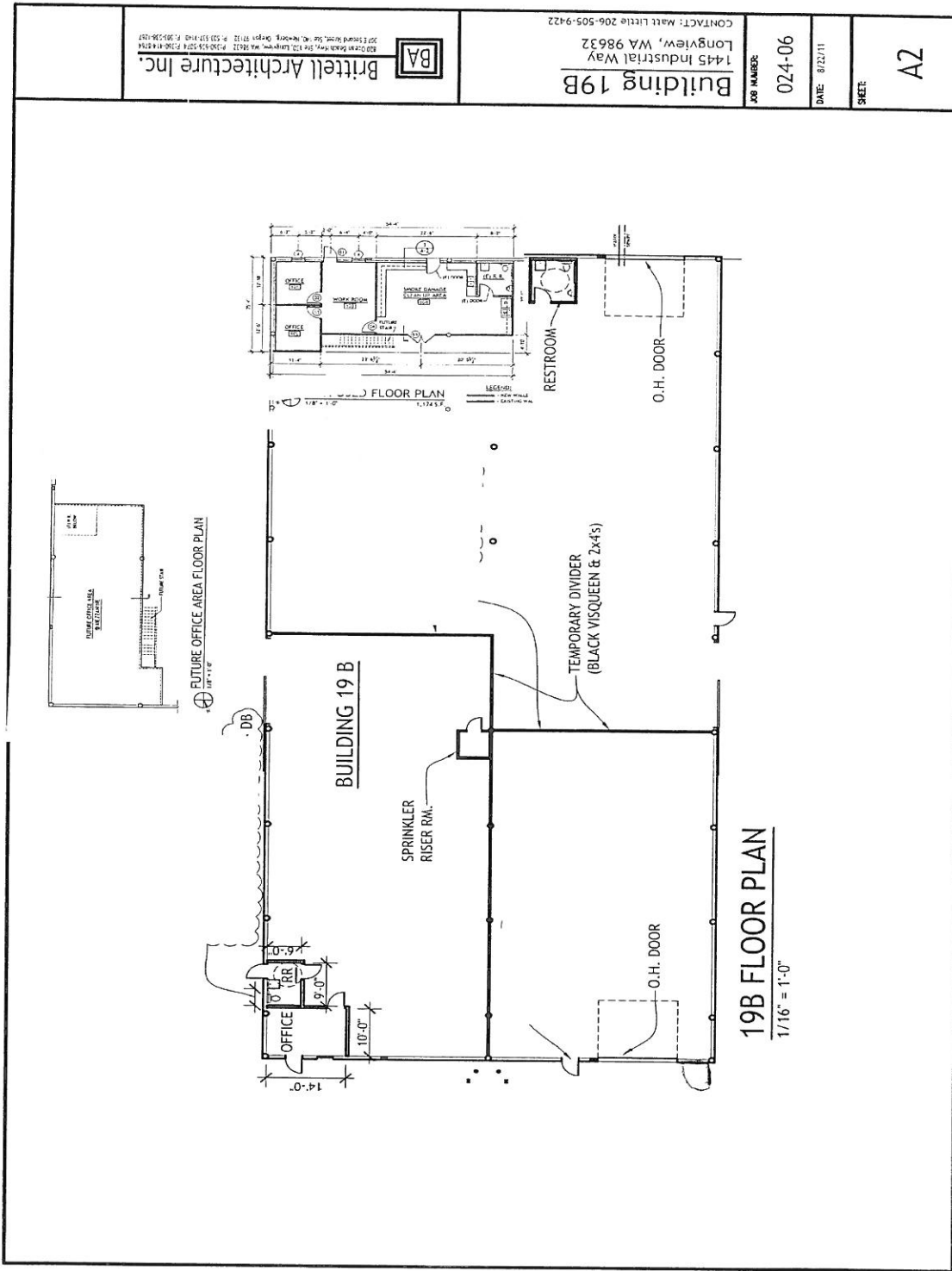
(Continued)  
(Multi-Tenant Triple Net (NNN) Lease)  
**LEASE AGREEMENT**







**LEASE AGREEMENT**  
 (Multi-Tenant Triple Net (NNN) Lease)  
 (Continued)  
**EXHIBIT A**  
 [Outline of the Premises]







**LEASE AGREEMENT**  
 (Multi-Tenant Triple Net (NNN) Lease)  
 (Continued)

**EXHIBIT B**

[Legal Description of the Property]

**LEGAL DESCRIPTION**

**FOR**

**Angel Industrial LLC**

*A portion of the  
 following property*

**DESCRIPTION OF REVISED PARCEL NO. 10156 (1.93 acres):**

A portion of the William Hutchinson, D.L.C. in Sections 4 and 5, Township 7 North, Range 2 West, Williamette Meridian, Cowitz County, Washington, described as follows:

BEGINNING at the Northeast corner of "Parcel 3" of the Port of Longview tract" as described under Cowitz County Auditor's File No. 519854, said point also being the Northwest corner of Lot 5, Block 3 of the "Columbia Industrial Park" as recorded in Volume 11 of Plats, page 106, Cowitz County Auditor's Records; thence South 00° 00' 12" East, 381.10 feet to the Southwest corner of Lot 5; Lot 5, for a distance of 74.23 feet to the North line of the 17-foot right-of-way for Railroad track "WM-6" as described under Cowitz County Auditor's File No. 107475 (1931); thence, following said North right-of-way line, North 62° 28' 00" West, 237.09 feet; thence North 00° 00' 12" West, 345.72 feet to the South line of Industrial Way; thence North 89° 59' 48" East, along the South line of Industrial Way, 210.23 feet to the TRUE POINT OF BEGINNING.

LD2006/WESTLAKE revised 10156.cdw

EXHIBIT B



**EXHIBIT C**

Tenant shall be responsible for installation of distribution of power from the main power panel located in the warehouse.  
Tenant to provide Landlord, for Landlord's approval, with an architectural drawing showing the improvements to be completed at the Premises by the Tenant.

**2. Tenant Improvements to be Completed by Tenant**

Tenant has completed a Gowitz PUD commercial electrical application to have an additional 800 amps of 120/208/480 power. Landlord and Tenant each agree to pay one-half the cost to install the new electrical power at the Premises including the cost of a new electrical pole, new pad mounted transformer, new lines and electrical panel.

**1. Tenant Improvements to be Completed by Landlord**

[Tenant Improvement Schedule]

**EXHIBIT C**

(Continued)

(Multi-Tenant Triple Net (NNN) Lease)

**LEASE AGREEMENT**







**RENT RIDER**

This Rent Rider ("Rider") is made part of the Lease Agreement dated October 15, 2014, (the "Lease") between Angel Industrial LLC ("Landlord") and Svenson & Svenson Liquidators, Inc. ("Tenant") concerning the space commonly known as approximately 13,600sf at 1445 Industrial Way building 19b Longview (the "Premises"), located at the property commonly known as 1445 Industrial Way, Building 19B Longview, WA 98632 (the "Property").

**1. BASE MONTHLY RENT SCHEDULE.** Tenant shall pay Landlord base monthly rent during the Lease Term according to the following schedule:

Lease Year (Stated in Years or Months)	Base Monthly Rent Amount
Months 1-6	\$ 3,150 per month NNN
Months 7-18	\$ 10,880 per month NNN
Months 19-30	\$ 11,543 per month NNN
Months 31-42	\$ 11,880 per month NNN
Months 43-54	\$ 12,235 per month NNN
Months 55-66	\$ 12,612 per month NNN
Months 67-78	\$ 12,990 per month NNN
Months 79-90	\$ 13,380 per month NNN
	\$
	\$

**2. CONSUMER PRICE INDEX ADJUSTMENT ON BASE MONTHLY RENT.** The base monthly rent shall be increased on the first day of the second year of the Lease and on the first day of each year of the Lease thereafter (each, an "Adjustment Date") during the term of this Lease (but not during any extension term(s) unless specifically set forth elsewhere in the Lease or another Rider attached thereto). The increase shall be determined in accordance with the increase in the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers (all items for the geographical statistical area in which the Premises is located on the basis of 1982-1984 equals 100) (the "Index"). The base monthly rent payable immediately prior to the applicable adjustment date shall be increased by the percentage that the Index published for the date nearest preceding the applicable Adjustment Date has increased over the Index published for the date nearest preceding the first day of the Lease Year from which the adjustment is being measured. Upon the calculation of each increase, Landlord shall notify Tenant of the new base monthly rent payable hereunder. Within twenty (20) days of the date of Landlord's notice, Tenant shall pay to Landlord the amount of any deficiency in Rent paid by Tenant for the period following the subject Adjustment Date, and shall thereafter pay the increased Rent until receiving the next notice of increase from Landlord. If the components of the Index are materially changed after the Commencement Date, or if the Index is discontinued during the Lease term, Landlord shall notify Tenant of a substitute published index which, in Landlord's reasonable discretion, approximates the Index, and shall use the substitute index to make subsequent adjustments in base monthly rent. In no event shall base monthly rent be decreased pursuant to this Rider.

INITIALS: LANDLORD MS DATE 11-6-14 TENANT SS DATE 10-15-14  
 LANDLORD \_\_\_\_\_ DATE \_\_\_\_\_ TENANT \_\_\_\_\_ DATE 10-15-14



(iv) Should Tenant dispute any amount shown on the Operating Costs Statement, Tenant may audit Landlord's books and records for the calendar year covered by such Operating Costs Statement upon written notice to Landlord given within ninety (90) days after Tenant's receipt of such Operating Costs Statement. If Tenant fail to provide notice of dispute within such ninety (90) day period, the Operating Costs Statement shall be final and conclusive. Any audit conducted by Tenant shall be completed within sixty (60) days after Tenant's request therefor. In the event the amount of Tenant's Pro Rata Share of Operating Costs exceeds the sum of the monthly installments actually paid by Tenant for such

(iii) As soon as reasonably possible following the end of each calendar year of the Lease term, Landlord shall determine and provide to Tenant a statement (the "Operating Costs Statement") setting forth the amount of Operating Costs actually incurred and the amount of Tenant's Pro Rata Share of Operating Costs actually payable by Tenant with respect to such calendar year. In the event the amount of Tenant's Pro Rata Share of Operating Costs exceeds the sum of the monthly installments actually paid by Tenant for such calendar year, Tenant shall pay to Landlord the difference within thirty (30) days following receipt of the Operating Costs Statement. In the event the sum of the monthly installments actually paid by Tenant for such calendar year exceeds the amount of Tenant's Pro Rata Share of Operating Costs actually due and owing, the difference shall be applied as a credit to Tenant's future Pro Rata Share of Operating Costs payable by Tenant pursuant to this Section, or if the term has expired, the excess shall be refunded to Tenant within thirty (30) days after delivery of such Operating Costs Statement.

(ii) Each estimate of Tenant's annual Pro Rata Share of Operating Costs determined by Landlord, as described above, shall be divided into twelve (12) equal monthly installments. If Tenant pays Operating Costs under Option One, Tenant shall pay to Landlord such monthly installments. If Tenant pays Operating Costs with each monthly payment of Base Rent. If Tenant pays Operating Costs under Option Two, Tenant shall pay to Landlord with each monthly payment of Base Rent the amount, if any, by which such monthly installments of Operating Costs exceed one twelfth of Tenant's annualized Pro Rata Share of Operating Costs for the Base Year. In the event the estimated amount of Tenant's Pro Rata Share of Operating Costs has not yet been determined for any calendar year, Tenant shall pay the monthly installment in the estimated amount determined for the preceding calendar year until the estimate for the current calendar year is received, Tenant shall then pay any shortfall or receive a credit for any surplus for the preceding months of the current calendar year and shall, thereafter, make the monthly installment payments in accordance with the current estimate.

(i) Landlord shall provide to Tenant, at or before the Commencement Date, a good faith estimate of annual Operating Costs for the calendar year in which the Commencement Date occurs. Landlord shall also provide to Tenant, as soon as possible following the first day of each succeeding calendar year, a good faith estimate of Tenant's annual Pro Rata Share of Operating Costs for the then-current year.

**c. Method of Payment.** Tenant shall pay to Landlord Operating Costs pursuant to the following procedure:

**OPTION TWO: BASE YEAR.** The Base Rent paid by Tenant under this Lease includes Tenant's Pro Rata Share of Operating Costs for the calendar year in which the Commencement Date occurs (the "Base Year"). As additional Rent, Tenant shall pay to Landlord on the first day of each month commencing on the first day of the first year after the Commencement Date, with Tenant's payment of Base Rent, one-twelfth of the amount, if any, by which Tenant's Pro Rata Share of Operating Costs exceeds Tenant's annualized Pro Rata Share of Operating Costs for the Base Year.

(Continued)

(Multi-Tenant Triple Net (NNN) Lease)

**LEASE AGREEMENT**



**3. TERM.** The term of this Lease shall commence on the Commencement Date specified in Section 1, or on such earlier or later date as may be specified by notice delivered by Landlord to Tenant advising Tenant that the Premises are ready for possession and specifying the Commencement Date, which shall not be less than \_\_\_\_\_ days (thirty (30) days if not filled in) following the date of such notice.

**a. Early Possession.** If Landlord permits Tenant to possess and occupy the Premises prior to the Commencement Date specified in Section 1, then such early occupancy shall not advance the Commencement Date or the Termination Date set forth in Section 1, but otherwise all terms and conditions of this Lease shall nevertheless apply during the period of early occupancy before the Commencement Date.

**b. Delayed Possession.** Landlord shall act diligently to make the Premises available to Tenant; provided, however, neither Landlord nor any agent or employee of Landlord shall be liable for any damage or loss due to Landlord's inability or failure to deliver possession of the Premises to Tenant as provided in this Lease. If possession is delayed, the Commencement Date set forth in Section 1 shall also be delayed. In addition, the Termination Date set forth in Section 1 shall be modified so that the length of the Lease term remains the same. If Landlord does not deliver possession of the Premises to Tenant within \_\_\_\_\_ days (sixty (60) days if not filled in) after the Commencement Date specified in Section 1, Tenant may elect to cancel this Lease by giving written notice to Landlord within ten (10) days after such time period ends. If Tenant gives such notice of cancellation, the Lease shall be cancelled, all prepaid rent and security deposits shall be refunded to Tenant, and neither Landlord nor Tenant shall have any further obligations to the other. The first "Lease year" shall commence on the Commencement Date and shall end on the date which is twelve (12) months from the end of the month in which the Commencement Date occurs. Each successive Lease year during the initial term and any extension terms shall be twelve (12) months, commencing on the first day following the end of the preceding Lease year. To the extent that the tenant improvements are not completed in time for the Tenant to occupy or take possession of the Premises on the Commencement Date due to the failure of Tenant to fulfill any of its obligations under this Lease, the Lease shall nevertheless commence on the Commencement Date set forth in Section 1.

**4. RENT.**

**a. Payment of Rent.** Tenant shall pay Landlord without notice, demand, deduction or offset, in lawful money of the United States, the monthly Base Rent stated in Section 1 in advance on or before the first day of each month during the Lease term beginning on (check one):  the Commencement Date, or  \_\_\_\_\_ (if no date specified, then on the Commencement Date), and shall also pay any other additional payments due to Landlord ("Additional Rent"), including Operating Costs (collectively the "Rent") when required under this Lease. Payments for any partial month at the beginning or end of the Lease shall be prorated. All payments due to Landlord under this Lease, including late fees and interest, shall also constitute Additional Rent, and upon failure of Tenant to pay any such costs, charges or expenses, Landlord shall have the same rights and remedies as otherwise provided in this Lease for the failure of Tenant to pay rent.

**b. Triple Net Lease.** This Lease is what is commonly called a "Net, Net, Net" or "triple-net" Lease, which means that, except as otherwise expressly provided herein, Landlord shall receive all Base Rent free and clear of any and all other impositions, taxes, liens, charges or expenses of any nature whatsoever in connection with the ownership and operation of the Premises. In addition to Base Rent, Tenant shall pay to the parties respectively entitled thereto, or satisfy directly, all Additional Rent and other impositions, insurance premiums, repair and maintenance charges, and any other charges, costs, obligations, liabilities, requirements, and expenses, including without limitation the Operating Costs described in Section 8, which arise with regard to the Premises or may be contemplated under any other provision of the Lease during its term, except for costs and expenses expressly made the obligation of Landlord in this Lease.

(Continued)  
(Multi-Tenant Triple Net (NNN) Lease)  
**LEASE AGREEMENT**



- c. Late Charges; Default Interest.** If any sums payable by Tenant to Landlord under this Lease are not received within five (5) business days after their due date, Tenant shall pay Landlord an amount equal to the greater of \$100 or five percent (5%) of the delinquent amount for the cost of collecting and handling such late payment in addition to the amount due and as Additional Rent. All delinquent sums payable by Tenant to Landlord and not paid within five (5) business days after their due date shall, at Landlord's option, bear interest at the rate of fifteen percent (15%) per annum, or the highest rate of interest allowable by law, whichever is less (the "Default Rate"). Interest on all delinquent amounts shall be calculated from the original due date to the date of payment.
- d. Less Than Full Payment.** Landlord's acceptance of less than the full amount of any payment due from Tenant shall not be deemed an accord and satisfaction or compromise of such payment unless Landlord specifically consents in writing to payment of such lesser sum as an accord and satisfaction or compromise of the amount which Landlord claims. Any portion that remains to be paid by Tenant shall be subject to the late charges and default interest provisions of this Section 4.
- 5. SECURITY DEPOSIT.** Upon 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. Tenant acknowledges, however, that the security deposit shall not be considered as a measure of Tenant's damages in case of default by Tenant, and any payment to Landlord from the security deposit shall not be construed as a payment or liquidated damages for Tenant's default. If Landlord applies the security deposit as contemplated by this Section, Tenant shall, within five (5) days after written demand and therefore by Landlord, deposit with Landlord the amount so applied. If Tenant complies with all of the covenants and conditions of this Lease throughout the Lease 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 by Section 13 of this Lease.
- 6. USES.** The Premises shall be used only for the Permitted Use specified in Section 1 above, and for no other business or purpose without the prior written consent of Landlord. No act shall be done on or around the Premises that is unlawful or that will increase the existing rate of insurance on the Premises, the Building, or the Property, or cause the cancellation of any insurance on the Premises, the Building, or the Property. Tenant shall not commit or allow to be committed any waste upon the Premises, or any public or private nuisance. Tenant shall not do or permit anything to be done on the Premises, the Building, or the Property which will obstruct or interfere with the rights of other tenants or occupants of the Property, or their employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees or to injure or annoy such persons.
- 7. COMPLIANCE WITH LAWS.** Tenant shall not cause or permit the Premises to be used in any way which violates any law, ordinance, or governmental regulation or order. Landlord represents to Tenant that, as of the Commencement Date, to Landlord's knowledge, but without duty of investigation, and with the exception of any Tenant's Work, the Premises comply with all applicable laws, rules, regulations, or orders, including without limitation, the Americans With Disabilities Act, if applicable, and Landlord shall be responsible to promptly cure at its sole cost any noncompliance which existed on the Commencement Date. Tenant shall be responsible for complying with all laws applicable to the Premises as a result of the Permitted Use, and Tenant shall be responsible for making any changes or alterations as may be required by law, rule, regulation, or order for Tenant's Permitted Use at its sole cost and expense. Otherwise, if changes or alterations are required by law, rule, regulation, or order unrelated to the Permitted Use, Landlord shall make changes and alterations at its expense.

(Continued)  
 (Multi-Tenant Triple Net (NNN) Lease)  
**LEASE AGREEMENT**





**8. OPERATING COSTS.**

- a. Definition.** As used herein, "Operating Costs" shall mean all costs of operating, maintaining and repairing the Premises, the Building, and the Property, determined in accordance with generally accepted accounting principles, and including without limitation the following: all taxes and assessments (including, but not limited to, real and personal property taxes and assessments, local improvement district assessments and other special purpose assessments, and taxes on rent or gross receipts); insurance premiums paid by Landlord and (to the extent used) deductibles for insurance applicable to the Property; water, sewer and all other utility charges (other than utilities separately metered and paid directly by Tenant or other tenants); janitorial and all other cleaning services; refuse and trash removal; supplies, materials, tools, and equipment used in the operation, repair, and maintenance of the Property; refurbishing and repainting; carpet replacement; to the extent serving areas other than just the Premises, heating, ventilation and air conditioning ("HVAC") service and repair and replacement of HVAC when necessary; elevator service and repair and replacement of elevators when necessary; pest control; lighting systems, fire detection and security services; landscape maintenance; management (fees and/or personnel costs); parking lot, road, sidewalk and driveway patching, resurfacing and maintenance; snow and ice removal; repair, maintenance, and where reasonably required, replacement of signage; amortization of capital improvements as Landlord may in the future install to comply with governmental regulations and rules or undertaken in good faith with a reasonable expectation of reducing operating costs (the useful life of which shall be a reasonable period of time as determined by Landlord); costs of legal services (except those incurred directly relating to a particular occupant of the Building); and accounting services, labor, supplies, materials and tools. Landlord and Tenant agree that if the Building is not ninety percent (90%) occupied during any calendar year (including the Base Year, if applicable), on a monthly average, then those portions of the Operating Costs that are driven by occupancy rates, as reasonably determined by Landlord, shall be increased to reflect the Operating Costs of the Building as though it were ninety percent (90%) occupied and Tenant's Pro Rata Share of Operating Costs shall be based upon Operating Costs as so adjusted. Operating Costs shall not include: Landlord's income tax or general corporate overhead; depreciation on the Building or equipment therein; loan payments; real estate broker's commissions; capital improvements to or major repairs of the Building shell (i.e., the Building structure, exterior walls, roof, and structural floors and foundations), except as described above; or 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 Landlord. If Tenant is renting a pad separate from any other structures on the Property for which Landlord separately furnishes the services described in this paragraph, then the term "Operating Costs" shall not include those costs of operating, repairing, and maintaining the enclosed mall which can be separately allocated to the tenants of the other structures. Operating Costs which cannot be separately allocated to the tenants of other structures may include but are not limited to: insurance premiums; taxes and assessments; management (fees and/or personnel costs); exterior lighting; parking lot, road, sidewalk and driveway patching, resurfacing and maintenance; snow and ice removal; and costs of legal services and accounting services.
- b. Type of Payment.** Options one and two below address the manner in which Operating Costs are paid under this Lease. To select the pure triple net option, check option 1. To select the base year option, check option 2.
- OPTION ONE: TRIPLE NET.** As additional Rent, Tenant shall pay to Landlord on the first of each month with payment of Tenant's base Rent one-twelfth of Tenant's Pro Rata Share of Operating Costs.

(Continued)

(Multi-Tenant Triple Net (NNN) Lease)

**LEASE AGREEMENT**



calendar year, Tenant shall pay to Landlord the difference within thirty (30) days following completion of the audit. In the event the sum of the monthly installments actually paid by Tenant for such calendar year exceeds the amount of Tenant's Pro Rata Share of Operating Costs actually due and owing, the difference shall be applied as a credit to Tenant's future Pro Rata Share of Operating Costs payable by Tenant pursuant to this Section, or if the term has expired, the excess shall be refunded to Tenant within thirty (30) days after completion of the audit. Landlord and Tenant shall cooperate as may be reasonably necessary in order to facilitate the timely completion of any audit. Nothing in this section shall in any manner modify Tenant's obligations to make payments as and when provided under this Lease.

**9. UTILITIES AND SERVICES.** Landlord shall provide the Premises the following services, the cost of which shall be included in the Operating Costs, to the extent not separately metered to the Premises: water and electricity for the Premises seven (7) days per week, twenty-four (24) hours per day, and HVAC from ~~\_\_\_\_\_ a.m. to \_\_\_\_\_ p.m. Monday through Friday; \_\_\_\_\_ a.m. to \_\_\_\_\_ p.m. on Saturday; and \_\_\_\_\_ a.m. to \_\_\_\_\_ p.m. on Sunday. Landlord shall provide janitorial service to the Premises and Building five (5) nights each week, exclusive of holidays, the cost of which shall also be included in Operating Costs. HVAC services will also be provided by Landlord to the Premises during additional hours on reasonable notice to Landlord, at Tenant's sole cost and expense, at an hourly rate reasonably established by Landlord from time to time and payable by Tenant, as and when billed, as Additional Rent. Notwithstanding the foregoing, if Tenant's use of the Premises incurs utility service charges which are above those usual and customary for the Permitted Use, Landlord reserves the right to require Tenant to pay a reasonable additional charge for such usage. 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 due to any cause whatsoever, and Rent shall not abate as a result thereof.~~

Tenant shall furnish all other utilities (including, but not limited to, telephone, Internet, and cable service if available) and other services which Tenant requires with respect to the Premises, and shall pay, at Tenant's sole expense, the cost of all utilities separately metered to the Premises, and of all other utilities and other services which Tenant requires with respect to the Premises, except those to be provided by Landlord and included in Operating Expenses as described above.

**10. TAXES.** Tenant shall pay all taxes, assessments, liens and license fees ("Taxes") levied, assessed or imposed by any authority having the direct or indirect power to tax or assess any such liens, related to or required by Tenant's use of the Premises as well as all Taxes on Tenant's personal property located on the Premises. Landlord shall pay all taxes and assessments with respect to the Property, including any taxes resulting from a reassessment of the Building or the Property due to a change of ownership or otherwise, all of which shall be included in Operating Costs and subject to partial reimbursement by Tenant as set forth in Section 8.

**11. COMMON AREAS.**

**a. Definition.** The term "Common Areas" means all areas, facilities and building systems that are provided and designated from time to time by Landlord for the general non-exclusive use and convenience of Tenant with other tenants and which are not leased or held for the exclusive use of a particular tenant. To the extent that such areas and facilities exist within the Property, Common Areas include hallways, entryways, stairs, elevators, driveways, walkways, terraces, docks, loading areas, restrooms, trash facilities, parking areas and garages, roadways, pedestrian sidewalks, landscaped areas, security areas, lobby or mall areas, common heating, ventilating and air conditioning systems, common electrical service, equipment and facilities, and common mechanical systems, equipment and facilities. Tenant shall comply



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13. REPAIRS AND MAINTENANCE; SURRENDER.

12. ALTERATIONS.

11. MAINTENANCE OF COMMON AREAS.

10. USE OF COMMON AREAS.

9. USE OF COMMON AREAS.

8. IN PERFORMING SUCH MAINTENANCE, LANDLORD SHALL USE REASONABLE EFFORTS TO MINIMIZE INTERFERENCE WITH TENANT'S USE AND ENJOYMENT OF THE PREMISES.

7. MAINTENANCE OF COMMON AREAS.

6. USE OF COMMON AREAS.

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LEASE AGREEMENT (Multi-Tenant Triple Net (NNN) Lease) (Continued)



Tenant shall not be responsible for any repairs to the Premises made necessary by the negligence or willful misconduct of Landlord or its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees therein. If Tenant fails to perform Tenant's obligations under this Section, Landlord may at Landlord's option enter upon the Premises after ten (10) days' prior notice to Tenant and put the same in good order, condition and repair and the cost thereof together with interest thereon at the default rate set forth in Section 4 shall be due and payable as additional rent to Landlord together with Tenant's next installment of Base Rent. Upon expiration of the Lease 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.

**14. ACCESS AND RIGHT OF ENTRY.** After twenty-four (24) hours' notice from Landlord (except in cases of emergency, when no notice shall be required), Tenant shall permit Landlord and its agents, employees and contractors to enter the Premises at all reasonable times to make repairs, inspections, alterations or improvements, provided that Landlord shall use reasonable efforts to minimize interference with Tenant's use and enjoyment of the Premises. This Section shall not impose any repair or other obligation upon Landlord not expressly stated elsewhere in this Lease. After reasonable notice to Tenant, Landlord shall have the right to enter the Premises for the purpose of (a) showing the Premises to prospective purchasers or lenders at any time, and to prospective tenants within one hundred eighty (180) days prior to the expiration or sooner termination of the Lease term; and (b) posting "for lease" signs within one hundred eighty (180) days prior to the expiration or sooner termination of the Lease term.

**15. SIGNAGE.** Tenant shall obtain Landlord's written consent as to size, location, materials, method of attachment, and appearance, before installing any signs upon the Premises. Tenant shall install any approved signage at Tenant's sole expense and in compliance with all applicable laws. Tenant shall not damage or deface the Premises in installing or removing signage and shall repair any injury or damage to the Premises caused by such installation or removal.

**16. DESTRUCTION OR CONDEMNATION.**

**a. Damage and Repair.** If the Premises or the portion of the Building or the Property necessary for Tenant's occupancy are partially damaged but not rendered untenable, by fire or other insured casualty, then Landlord shall diligently restore the Premises and the portion of the Property necessary for Tenant's occupancy to the extent required below and this Lease shall not terminate. Tenant may, however, terminate the Lease if Landlord is unable to restore the Premises within six (6) months of the casualty event by giving twenty (20) days written notice of termination.

The Premises or the portion of the Building or the Property necessary for Tenant's occupancy shall not be deemed untenable if twenty-five percent (25%) or less of each of those areas are damaged. If insurance proceeds are not available or are not sufficient to pay the entire cost of restoring the Premises, or if Landlord's lender does not permit all or any part of the insurance proceeds to be applied toward restoration, then Landlord may elect to terminate this Lease and keep the insurance proceeds, by notifying Tenant within sixty (60) days of the date of such casualty.

If the Premises, the portion of the Building or the Property necessary for Tenant's occupancy, or fifty percent (50%) or more of the rentable area of the Property are entirely destroyed, or partially damaged and rendered untenable, by fire or other casualty, Landlord may, at its option: (a) terminate this Lease as provided herein, or (b) restore the Premises and the portion of the Property necessary for Tenant's occupancy to their previous condition to the extent required below; provided, however, if such casualty event occurs during the last six (6) months of the Lease term (after considering any option to extend the

(Continued)

(Multi-Tenant Triple Net (NNN) Lease)

**LEASE AGREEMENT**



INITIALS: LANDLORD ML DATE 11-6-14 TENANT CS DATE 10-15-14

LANDLORD \_\_\_\_\_ DATE \_\_\_\_\_ TENANT BS DATE 10-15-14

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ventilation and air conditioning mechanical units.  
 Tenant to landlord for landlord approval drawings showing the proposed location of any heating and

2. **Tenant.** For purpose of this Rider only, the term "Tenant" shall include Tenant and Tenant's employees, officers, contractors, licensees, agents, and invitees, except as follows:

**No Parking.** The Lease does not include parking on the Property, and Tenant shall park off the Property at Tenant's own expense.

**Free Parking.** Tenant shall be entitled to share parking with Landlord's other tenants in the designated parking areas at no charge. Tenant shall be responsible for ensuring compliance with the terms of the Lease, this Rider, and any reasonable rules and regulations adopted by Landlord from time to time for the safe and orderly sharing of parking.

Tenant shall be entitled to use parking stalls on the Property or other designated parking area on a (check one)  reserved (unreserved) basis at the prevailing monthly rate established by Landlord from time to time. Tenant shall comply with the reasonable rules and regulations of which Landlord or its parking operator may adopt from time to time for the safe and orderly operation of the parking areas.

1. **Tenant's Parking Rights.** Tenant's right to park on the Property shall be as follows (check one):

This Parking Rider (the "Rider") is made part of the lease agreement dated October 15, 2014, (the "Lease") between Angel Industrial LLC ("Landlord") and Svenson & Svenson Liquidators, Inc. ("Tenant") concerning the leased space commonly known as \_\_\_\_\_ (the "Premises"), located at the property commonly known as 1445 Industrial Way, Building 19B \_\_\_\_\_ Longview, WA 98632 (the "Property").

**PARKING RIDER**



**GUARANTY OF TENANT'S LEASE OBLIGATIONS RIDER**

This has been prepared for submission to your attorney for review and approval prior to signing. No representation is made by licensee as to its sufficiency or tax consequences.

This Guaranty of Tenant's Lease Obligations Rider (the "Guaranty") is made by Cameron Michael Swenson and Blake Joseph Swenson, whose address is 935 Vandercook Way Longview Washington 98632 ("Guarantor"), for the benefit of Angel Industrial LLC ("Landlord"), whose address is 1200 Westlake Avenue North, Suite 310 Seattle, WA 98109.

1. Underlying Lease. Landlord and Swenson & Swenson Liquidators, Inc. ("Tenant"), have entered into that certain Lease Agreement dated October 15, 2014 (the "Lease") concerning the leased space commonly known as approximately 4,000 sq ft at 1455 Industrial Way building 19b Longview Washington 98632 (the "Premises").

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2. Guaranty. Guarantor induced Landlord to enter into the Lease in consideration for Guarantor's guaranty, and Guarantor further acknowledges that it receives direct financial and economic benefits because Tenant will lease the Premises. Therefore, Guarantor absolutely, unconditionally and irrevocably guarantees to Landlord and its successors and assigns, without deduction by reason of set-off, defense or counterclaim, a) the full, punctual, and complete payment of all rent and other sums to be paid to Landlord under the Lease, including all attorney's fees, costs and expenses of collection incurred by Landlord in enforcing its rights and remedies under the Lease and this Guaranty; and b) the full, punctual, and complete discharge and performance of each and every other term, covenant, obligation and warranty of Tenant contained in the Lease. If Tenant Guaranty shall remain in full force and effect until all the terms, covenants, conditions, and agreements contained in the Lease are fully performed and observed. This Guaranty shall be enforceable against Guarantor without the necessity of any suit or proceeding on the part of Landlord against Tenant or any other party.

3. No Discharge of Guarantor. This Guaranty shall not be discharged and the liability of Guarantor shall in no way be affected by (a) the release or discharge of Tenant in any receivership, bankruptcy or other proceeding; (b) the impairment, limitation or modification of any liability to Landlord of Tenant or the estate of Tenant in bankruptcy, or of any remedy for the enforcement of Tenant's liability under the Lease or resulting from the operation of any present or future provision of federal or state bankruptcy or insolvency laws or other statute or from the decision in any court; (c) the rejection or disaffirmance of the Lease in any bankruptcy, insolvency, or similar proceeding; (d) the assignment, transfer, or encumbrance of all or any portion of the Tenant's interest in the Lease, the subletting of all or any portion of the Premises, or the granting to any third party of any rights of occupancy of all or any portion of the Premises; (e) waiver of discharge by Landlord of default or future performance by Tenant of any term of the Lease or Guaranty; (f) the exercise, forbearance, or election by Landlord of any of its rights or remedies reserved under the Lease, this Guaranty, or by law; (g) the release by Landlord of any security given to Landlord; or (h) any extension, renewal, amendment, expansion, or termination of the Lease.

INITIALS: LANDLORD mf DATE 11-6-14 TENANT BS DATE 10-13-14  
 LANDLORD \_\_\_\_\_ DATE \_\_\_\_\_ TENANT BS DATE 10-15-14



SPOUSE (if Personal Guaranty) DATE

SPOUSE (if Personal Guaranty) DATE

GUARANTOR DATE  
*Margaret Stevenson 10-22-14*

GUARANTOR DATE  
*Mike Stevenson 10-22-14*

- 4. **Notice.** Landlord shall have no obligation to notify Guarantor of any of the events described in Paragraph 3 of this Guaranty, and Guarantor waives any such notice and acknowledges specifically that such waiver includes notice of acceptance of this Guaranty, notice of any event of default under the Lease or this Guaranty, opportunity to cure any event of default under the Lease or this Guaranty, and proof of notice or demand to Tenant relating to any event of default. Guarantor hereby further waives any and all defenses, rights of subrogation, reimbursement, indemnification, contribution, and any other rights and defenses that are or may become available to it. Until all of the obligations of Tenant set forth in the Lease are fully performed and observed (including without limitation the payment of all rent and other sums required to be paid by Tenant to Landlord), Guarantor shall have no right of subrogation against Tenant by reason of any payments or acts of performance by Guarantor hereunder, and subordinates any liability or indebtedness of Tenant now or hereafter held by Guarantor to the obligations of Tenant to Landlord under the Lease.
- 5. **Attorneys' Fees.** If either party is required to employ an attorney to enforce or declare its rights hereunder, including in any appeal, bankruptcy or insolvency proceeding involving Tenant or any Guarantor, the prevailing party in any such action shall be entitled to recover its attorneys' fees and costs.
- 6. **Successors and Assigns.** The benefits of this Guaranty shall inure to the successors and assigns of Landlord and shall be binding upon Guarantor's successors, assigns, heirs, and legal and personal representatives.

**GUARANTY OF TENANT'S LEASE OBLIGATIONS RIDER**  
(Continued)



INITIALS: LANDLORD mf DATE 11-6-14 TENANT CS DATE 10-15-14  
 LANDLORD \_\_\_\_\_ DATE \_\_\_\_\_ TENANT BS DATE 10-15-14

- 1. Claims Subject to Arbitration.** Other than an action by Landlord against Tenant for nonpayment of Rent or for unlawful detainer or ejectment, any controversy or claim arising out of or relating to the Lease, or the breach thereof, shall be resolved by arbitration, including any issue about whether a claim is covered by this Rider or the validity of the selection of an arbitrator. The party who invokes the provisions of this Rider must provide to all other parties a written demand for arbitration, which provides a concise statement of the claim(s).
- 2. Arbitration Method.** The arbitration shall be conducted pursuant to the American Arbitration Association (the "AAA") Commercial Arbitration Rules with Expedited Procedures in effect on the date the parties entered into the Lease, except as modified by this Rider. The arbitration, however, shall not be administered by the AAA.
- 3. Arbitrator Selection.** The dispute between the parties shall be heard and decided by one arbitrator, who shall be an attorney with at least fifteen (15) years of commercial real estate law experience. Each party shall submit a list of three proposed arbitrators within ten (10) days of the arbitration demand. The parties shall negotiate in good faith to select an arbitrator from those submitted by them. If the parties do not select an arbitrator within five (5) days after both parties submit their lists or the end of the ten (10) day period to submit names, whichever occurs first, then the parties shall each select an arbitrator and the two selected arbitrators shall choose a third who shall hear the matter.
- 4. Additional Arbitration Rules.** The parties agree that neither party shall have the right to conduct discovery except as the arbitrator shall authorize. The arbitration hearing shall be conducted within ninety (90) days of the arbitration demand.
- 5. Applicable Law and Venue.** The arbitrator shall apply substantive law of the state in which the Premises are located and may award any remedy available at law or equity, including an award of attorney's fees and costs to the prevailing party.
- 6. Mediation.** If either party demands mediation within twenty (20) days after the arbitration demand, the parties shall submit the dispute to mediation which shall not delay the arbitration date. If the parties cannot agree on a mediator, the arbitrator shall appoint one.
- 7. Venue.** Venue for the arbitration shall be in the County where the Premises are located.

This Arbitration Rider ("Rider") is made part of the lease agreement dated October 15, 2014, (the "Lease") between Angel Industrial LLC ("Landlord") and Svenson & Svenson Liquidators, Inc. ("Tenant") concerning the leased space commonly known as pprox 13,600 SF at 1445 Industrial Way, Building 19B, Longview, WA (the "Premises"), located at the property commonly known as 1445 Industrial Way, Building 19B, Longview, WA 98632 (the "Property").

**ARBITRATION RIDER**





10/15/14 ADDENDUM/AMENDMENT TO  
CBA LEASES

The following is part of the Commercial Lease Agreement dated October 15, 2014,  
Between Angel Industrial LLC ("Landlord")  
And Svenson & Svenson Liquidators, Inc. ("Tenant")  
regarding the lease of the property known as 1445 Industrial Way, Building 19B, Longview, WA 98632

IT IS AGREED BETWEEN THE LANDLORD AND TENANT AS FOLLOWS:

1. LEASE TERMINATION. Upon full execution of this Lease Agreement, Landlord and Tenant agree that the Lease dated August 15, 2013 by and between Angel Industrial LLC and Svenson and Svenson Liquidators, Inc. is hereby cancelled. Upon full execution of this Lease Agreement, Tenant agrees to pay the monthly rent of \$3,150 NNN for the months of November and December 2014. The \$2,700 security deposit associated with the August 15, 2013 lease shall be transferred to this October 15, 2014 Lease.
2. SECURITY DEPOSIT INCREASE. Tenant agrees to increase the current security deposit of \$2,700 to \$10,000 on or before December 31, 2015.
3. RECOGNITION OF PERSONAL PROPERTY. Tenant acknowledges that the freezer and refrigerator are the personal property of the Landlord.
4. SUBLEASE OF ENTIRE PREMISES. Landlord grants Tenant the right to sublet the Premises to Cowlitz County Cannabis Cultivation, Inc. for the purpose of growing plants and activities usual to said I-502 business.

3. ENTRY BY LANDLORD. After the State of Washington Liquor Control Board has granted a license to Cowlitz County Cannabis Cultivation, Inc. to operate at Building 19B, 1445 Industrial Way, Longview, any and all entry by Landlord onto the Premises shall be either in the presence of the owner or employee of ~~Longview Enterprises LLC~~ Cowlitz County Cannabis Cultivation Inc.

See addendum 1 - Addendum/Amendment (continued)

AGENT (COMPANY): \_\_\_\_\_ By: \_\_\_\_\_

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged.

INITIALS: CS Tenant/Lessee DATE 10-15-14  
BS Tenant/Lessee DATE 10-15-14  
gms Landlord/Lessor DATE 11-6-14  
 \_\_\_\_\_ Landlord/Lessor DATE \_\_\_\_\_

INITIALS \_\_\_\_\_ DATE \_\_\_\_\_  
INITIALS MS DATE 11-6-14

INITIALS \_\_\_\_\_ DATE \_\_\_\_\_  
INITIALS BS DATE 10-15-14  
INITIALS CS DATE 10-15-14

10. Angel Industrial LLC recognizes that Svenson and Svenson Liquidators Inc. may be charging more rent and other charges to Cowlitz County Cannabis Cultivation for the subset of the premises and Angel agrees that it has no rights to any funds above the amount specified in the lease between Angel Industrial LLC and Svenson and Svenson Liquidators Inc.

9. Svenson and Svenson Liquidators Inc. agree to sublet 1445 Industrial building 19b Longview to Cowlitz County Cannabis Cultivation Inc.

8. Svenson & Svenson Liquidators Inc. and Cowlitz County Cannabis Cultivation Inc. agree that Svenson and Svenson Liquidators Inc. can charge Cowlitz County Cannabis Cultivation Inc. more rent than is specified in the lease agreement between Angel Industrial LLC and Svenson and Svenson Liquidators Inc. Svenson and Svenson Liquidators Inc. agree that all other terms of the lease between Angel Industrial LLC and Svenson and Svenson Liquidators Inc. are the terms of the sublease between Svenson & Svenson Liquidators Inc. and Cowlitz County Cannabis Cultivation Inc.

7. OPTION TO EXTEND In the option to extend provision of the lease, in no event shall the monthly rent be less than the ninety (90) month of the lease.

6. REMEDIES, DEFAULT, AND LANDLORD RE-ENTRY AND RE-LETTING. Landlord cannot remove Lessee's personal property, including the removal/possession of Tenant's marijuana products, and Landlord agrees to contract Washington State Liquor Control Board for proper disposal of marijuana products.

(1) Addendum/Amendment (continued)

Property Address: 1445 Industrial Way, Building 19B Longview, WA 98632

APPENDUM





**OPTION TO EXTEND RIDER**

This Option to Extend Rider ("Rider") is made part of the lease agreement dated October 15, 2014, between Angel Industrial LLC ("Landlord") and Svenson & Svenson Liquidators, Inc. ("Tenant") concerning the leased space commonly known as approximately 13,600sf at 1445 Industrial Way building 19B Longview Washington 98632 (the "Premises"), located at the property commonly known as 1445 Industrial Way, Building 19B Longview, WA 98632 (the "Property").

**1. Extension of Lease.** Provided Tenant is not in default of any provision of the Lease at the time that Tenant exercises the right to extend the Lease or at the time the new term begins, Tenant shall have one (1) years each. The term of the Lease shall be extended on the same terms, conditions and covenants set forth in the Lease, except that (i) the amount of the Base Rent stated in the Lease shall be adjusted as set forth below (provided, however, that Base Rent shall not be decreased); (ii) there shall be no free or abated rent periods; tenant improvement allowances or other concessions that may have been granted to Tenant at the beginning of the initial term hereof; and (iii) after exercise of Tenant's final extension term option, there shall be no further extension or renewal term options.

**2. Notice.** To extend the Lease, Tenant shall deliver written notice to Landlord not less than one hundred eighty (180) days prior to the expiration of the then-current Lease term. Time is of the essence of this Rider.

**3. Monthly Rent.** Landlord and Tenant shall make a good faith effort to determine and agree on the fair market value of rent for the Premises for the next term of the Lease.

**a. Failure to Agree on Rent.** If Landlord and Tenant are unable to agree on the fair market rental value for the Premises within thirty (30) days after Tenant gives notice to extend, they shall then have ten (10) days to select or appoint one real estate appraiser to determine the fair market value of rent for the Premises. All appraisers selected or appointed pursuant to this Rider shall be a Member of the American Institute of Real Estate Appraisers ("M.A.I.") with at least ten (10) years experience appraising commercial properties in the commercial leasing market in which the Premises are located, or equivalent. The appraiser appointed shall determine the fair market rental value for the Premises within twenty (20) days of appointment, which determination shall be final, conclusive, and binding upon both Landlord and Tenant, and Base Rent shall be adjusted accordingly for the new term. The appraiser's fees and expenses shall be shared equally between the parties.

**b. Failure to Appoint One Appraiser.** If Landlord and Tenant cannot mutually agree upon an appraiser, then either party may give the other party written notice that it has selected and appointed an M.A.I. appraiser, complete with the name, address, and other identifying information about the appraiser. The party receiving such notice shall then have ten (10) days to select and appoint its own M.A.I. appraiser and respond by giving written notice to the other party, complete with the name, address, and other identifying information about the appraiser. If, however, the responding party fails to select and appoint an appraiser and give notice to the other party within ten (10) days, the determination of the appraiser first appointed shall be final, conclusive and binding upon both parties, and Base Rent shall be adjusted accordingly for the new term. The appraiser's fees and expenses shall be shared equally between the parties.

INITIALS: LANDLORD ms DATE 11-6-14 TENANT LS DATE 10-22-14

LANDLORD \_\_\_\_\_ DATE \_\_\_\_\_ TENANT LS DATE 10-22-14

Form generated by: "TrueForms" www.TrueForms.com 800-499-9612

INITIALS: LANDLORD                      DATE 11-6-14  
 LANDLORD                      DATE                       
 TENANT CS DATE 10-15-14  
 TENANT BS DATE 10-15-14

*(Handwritten initials: CS, BS, 14, 15)*

c. **Method of Determining Rent.** The appraisers appointed shall proceed to determine fair market rental value within twenty (20) days following their appointment. The conclusion shall be final, conclusive and binding upon both Landlord and Tenant. If the appraisers should fail to agree, but the difference in their conclusions as to fair market rental value is ten percent (10%) or less of the lower of the two appraisals, then the fair market rental value shall be deemed to be the average of the two, and Base Rent shall be adjusted accordingly for the new term. If the two appraisers should fail to agree on the fair market rental value, and the difference between the two appraisals exceeds ten percent (10%) of the lower of the two appraisals, then the two appraisers shall appoint a third M.A.I.-qualified appraiser. If they fail to agree on a third appraiser within ten (10) days after their individual determination of the fair market rental value, either party may apply to the courts for the county in which the Premises are located, requesting the appointment of a third M.A.I.-qualified appraiser. The third appraiser shall promptly determine the fair market rental value of the Premises. The parties shall then take the average of the two appraisals that are closest in value, which shall then constitute the fair market value; shall be final, conclusive and binding upon both parties; and Base Rent shall be adjusted accordingly for the new term. Each party shall pay the fees and expenses for its own appraiser. In the event a third appraiser must be appointed, his or her fees and expenses shall be borne equally by Landlord and Tenant.

**OPTION TO EXTEND RIDER**  
 (Continued)







WESTLAKE ASSOCIATES, INC  
2810 Eastlake Avenue East  
Seattle, Washington 98102  
Tel: (206) 505-9400  
Fax: (206) 505-9439

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SUBLEASE AGREEMENT

THIS SUBLEASE AGREEMENT (the "Sublease") is entered into and effective this October 22nd 2014 ("Tenant"), ("Subtenant"), and County of King County, Washington, Inc. ("Master Lease") with ANSEL INDUSTRIAL LLC as landlord ("Landlord"), dated October 15th 2014, leasing the premises legally described in the attached Exhibit 1 ("Master Premises"). A copy of the Master Lease, including all amendments, is attached as Exhibit 2. Tenant and Subtenant agree as follows:

1. SUBLEASE SUMMARY

a. **Subleased Premises.** Tenant leases to Subtenant and Subtenant leases from Tenant that portion of the Master Premises consisting of an agreed area of 13,600 rentable square feet of area on the 1445 Industrial Way Building 199 Longview WA 98632 floors) of the Master Premises, outlined on the floor plan attached as Exhibit 3 (the "Subleased Premises"), and commonly known as 1445 Industrial Way Building 199 Longview WA 98632.

b. **Sublease Commencement Date.** The Sublease shall be for a period of 96 months and shall commence on January 1st 2015 or such earlier or later date as provided in Section 3 (the "Sublease Commencement Date").

c. **Sublease Termination Date.** The Sublease shall terminate at midnight on December 31st 2023 or one day prior to the termination date of the Master Lease, whichever is earlier, unless sooner terminated in accordance with the terms of this Sublease (the "Sublease Termination Date").

d. **Base Rent.** Subtenant shall pay to Tenant base monthly rent (**check one**)  of \$ \_\_\_\_\_ or  according to the Rent Rider attached hereto ("Base Rent"). Rent shall be payable at Tenant's address shown in Section 1(h) below, or such other place designated in writing by Tenant.

e. **Prepaid Rent.** Upon execution of this Sublease, Subtenant shall deliver to Tenant the sum of \$ 315000 as prepaid rent, to be applied to the Rent due for months \_\_\_\_\_ through \_\_\_\_\_ of the Sublease.

f. **Security Deposit.** Upon execution of this Sublease, Subtenant shall deliver to Tenant the sum of \$ \_\_\_\_\_ to be held as a security deposit pursuant to Section 5 below. The security deposit shall be in the form of (check one):  cash, or  letter of credit according to the Letter of Credit Rider (CBA Form CR), attached hereto.

g. **Permitted Use.** The Subleased Premises shall be used only for Manufacturing and processing and for no other purpose without the prior written consent of Tenant (the "Permitted Use").

h. Notice and Payment Addresses.

Tenant: Svenson & Svenson Liquidators Inc.  
932 Lindenwood Way WA 98732  
Longview WA 98632  
360-957-4956  
Fax No.:  
Email:  
Subtenant: County of King County, Washington, Inc.  
1445 199 Industrial Way WA  
Longview WA 98632  
Fax No.:  
Email:



**SUBLEASE AGREEMENT**  
(Continued)

**i. Subtenant's Sublease Share.** Subtenant's Sublease Share of any operating costs, additional rent, or other amounts payable by Tenant under the Master Lease is 100% of such amounts, based upon the ratio of the agreed rentable area of the Subleased Premises to the agreed rentable area of the Master Premises.

**2. PREMISES.**

**a. Lease of Premises.** Tenant leases to Subtenant, and Subtenant leases from Tenant the Subleased Premises upon the terms specified in this Sublease.

**b. Acceptance of Premises.** Except as specified elsewhere in this Sublease, Tenant makes no representations or warranties to Subtenant regarding the Subleased Premises, including the structural condition of the Subleased Premises or the condition of all mechanical, electrical, and other systems on the Subleased Premises. Except for any Subtenant improvements described on attached Exhibit 4 to be completed by Tenant ("Tenant's Work"), Subtenant shall be responsible for performing any work necessary to bring the Subleased Premises into a condition satisfactory to Subtenant. By signing this Sublease, Subtenant acknowledges that it has had adequate opportunity to investigate the Subleased Premises, acknowledges responsibility for making any corrections, alterations and repairs to the Subleased Premises (other than the Tenant's work in Exhibit 4), and acknowledges that the time needed to complete any such items shall not delay the Sublease Commencement Date.

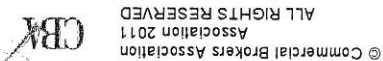
**c. Subtenant Improvements.** Attached Exhibit 4 sets forth all of Tenant's Work, if any, and all Subtenant improvements to be completed by Subtenant (the "Subtenant's Work"), that will be performed on the Subleased Premises. Responsibility for design, payment and performance of all such work shall be as set forth on attached Exhibit 4.

**3. TERM.** Subtenant acknowledges that Tenant may need to receive Landlord's consent to this Sublease as provided in Sections 21 and 24 of this Sublease prior to Subtenant occupying the Subleased Premises, and Subtenant shall not occupy the Subleased Premises without the prior written consent of Tenant. If Subtenant occupies the Subleased Premises before the Sublease Commencement Date specified in Section 1, then such date of occupancy shall be the Sublease Commencement Date. If Tenant acts diligently to make the Subleased Premises available to Subtenant, neither Tenant nor any agent or employee of Tenant shall be liable for any damage or loss due to Tenant's inability or failure to deliver possession of the Premises to Subtenant as provided in this Sublease. In such case, the Rent shall abate until delivery of possession, but the Sublease Termination Date shall not be extended by such delay. Notwithstanding the foregoing, if Tenant has not delivered possession to Subtenant within \_\_\_\_\_ days (sixty (60) days if not filled in) after the date specified in Section 1, Subtenant may elect to cancel this Sublease by giving written notice to Tenant within ten (10) days after such time period ends. If Subtenant gives such notice, this Sublease shall be cancelled, all prepaid rent and security deposits shall be refunded to Subtenant, and neither Tenant nor Subtenant shall have any further obligations to the other.

**4. RENT.**

**a. Payment of Rent.** Subtenant shall pay Tenant without notice, demand, deduction or offset, in lawful money of the United States, the monthly Base Rental stated in Section 1 in advance on or before the first day of each month during the Sublease Term beginning on (check one):  the Sublease Commencement Date,  or \_\_\_\_\_ (if no date specified, then on the Sublease Commencement Date), and any other additional payments due to Tenant ("Additional Rent") (collectively the "Rent") when required under this Sublease. Payments for any partial month at the beginning or end of the Sublease term shall be prorated. All payments due to Tenant under this Sublease, including late fees and interest, shall also constitute Additional Rent, and upon failure of Subtenant to pay any such costs, charges or expenses, Tenant shall have the same rights and remedies as otherwise provided in this Sublease for the failure of Subtenant to pay rent.





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**SUBLEASE AGREEMENT**

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**b. Late Charges; Default Interest.** If any sums payable by Subtenant to Tenant under this Sublease are not received within five (5) days of their due date, Subtenant shall pay Tenant an amount equal to the sum which would be payable by Tenant to the Landlord for an equivalent default under the Master Lease or five percent (5%) of the delinquent amount for the cost of collecting and handling such late payment in addition to the amount due and as Additional Rent, whichever is greater. All delinquent sums not paid by Subtenant within five (5) business days of the due date shall, at Tenant's option, bear interest at the rate the Tenant would pay the Landlord under the Master Lease for an equivalent default or the highest rate of interest allowable by law, whichever is less. Interest on all delinquent amounts shall be calculated from the original due date to the date of payment.

**c. Less Than Full Payment.** Tenant's acceptance of less than the full amount of any payment due from Subtenant shall not be deemed an accord and satisfaction or compromise of such payment unless Tenant specifically consents in writing to payment of such lesser sum as an accord and satisfaction or compromise of the amount which Tenant claims. Any portion that remains to be paid by Tenant shall be subject to the late charges and default interest provisions of this Section 4.

**5. SECURITY DEPOSIT.** Upon execution of this Sublease, Subtenant shall deliver to Tenant the security deposit specified in Section 1(f) above. Tenant's obligations with respect to the security deposit are those of a debtor and not of a trustee, and Tenant may commingle the security deposit with its other funds. If Subtenant breaches any covenant or condition of this Sublease, including but not limited to the payment of Rent, Tenant may apply all or any part of the security deposit to the payment of any sum in default and any damage suffered by Tenant as a result of Subtenant's breach. Subtenant acknowledges, however, that the security deposit shall not be considered as a measure of Subtenant's damages in case of default by Subtenant and any payment to Landlord from the security deposit shall not be construed as a payment of liquidated damages for Tenant's default. If Landlord applies the security deposit as contemplated by this Section, Subtenant shall, within five (5) days after written demand therefore by Tenant, deposit with Tenant the amount so applied. If Subtenant complies with all of the covenants and conditions of this Sublease throughout the Sublease term, the security deposit shall be repaid to Subtenant without interest within thirty (30) days after the surrender of the Subleased Premises by Subtenant in the condition required by Section 9 of this Lease.

**6. MASTER LEASE.** Tenant represents to Subtenant (a) that Tenant has delivered to Subtenant a full and complete copy of the Master Lease and all other agreements between Landlord and Tenant relating to the leasing, use, and occupancy of the Subleased Premises (which may contain redacted business terms) and (b) that Tenant has received no uncured default notice from Landlord under the Master Lease. Tenant shall not agree to an amendment to the Master Lease which would have an adverse effect on Subtenant's occupancy of the Subleased Premises or its use of the Subleased Premises for their intended purpose, without obtaining Subtenant's prior written approval, which shall not be unreasonably withheld, conditioned, or delayed. Subtenant represents that it has read and is familiar with the terms of the Master Lease.

This Sublease is subject and subordinate to the Master Lease. If the Master Lease terminates, this Sublease shall terminate. Tenant and Subtenant shall not, by their omission or act, do or permit anything to be done which would cause a default under the Master Lease. If the Master Lease terminates or is forfeited as a result of a default or breach by Tenant or Subtenant under this Sublease and/or the Master Lease, then the defaulting party shall be liable to the non-defaulting party for the damage suffered as a result of such termination or forfeiture. Tenant shall exercise due diligence in attempting to cause Landlord to perform its obligations under the Master Lease for the benefit of the Subtenant.

All the terms, covenants and conditions contained in the Master Lease are incorporated into and made a part of this Sublease as if Tenant were the landlord under the Master Lease, the Subtenant were the tenant under the Master Lease, and the Subleased Premises were the Master Premises except as may be inconsistent with the terms contained in this Sublease and the following :

\_\_\_\_\_ (none if not specified)

**7. ADDITIONAL CHARGES.** If Tenant shall be charged for additional rent or other sums pursuant to the provisions of the Master Lease, Subtenant shall be liable for its Sublease Share, stated in Section 1 above, of such additional rent or sums, including without limitation, payments for taxes, common area charges, utilities and services, or operating costs. If any such rent or sums shall be due to excessive use by Subtenant of utilities or services provided to the Subleased Premises, as reasonably determined by Tenant, such excess shall be paid in its entirety by Subtenant. If Subtenant shall procure any additional service for the Subleased Premises, including but not limited to after-hour HVAC services, Subtenant shall pay for same at the rates charged by Landlord and shall make such payment to Tenant or Landlord, as Tenant shall direct. Tenant shall have no duty to perform any obligations which are, by their nature, the obligation of an owner or manager of real property. Any rent or other sums payable by Subtenant under this Section shall be Additional Rent and paid to Tenant no later than five (5) days before they are due from Tenant to Landlord. If Tenant shall receive any refund for Additional Rent or sums paid under the Master Lease, Subtenant shall be entitled to the return of so much thereof as shall be attributable to prior payments by Subtenant. Tenant shall, upon request by Subtenant, furnish Subtenant with copies of all statements submitted by Landlord of actual or estimated Additional Rent or sums.

Notwithstanding anything herein contained, the only services or utilities to which Subtenant is entitled under this Sublease are those to which Tenant is entitled under the Master Lease.

**8. ALTERATIONS.** Subtenant may make alterations, additions or improvements to the Subleased Premises, including any of Subtenant's Work identified on attached Exhibit 4 (the "Alterations"), with the prior written consent of Tenant. The term "Alterations" shall not include the installation of shelves, movable partitions, Subtenant's equipment, and trade fixtures which may be performed without damaging existing improvements or the structural integrity of the Subleased Premises, and Tenant's consent shall not be required for Subtenant's installation of those items except to the extent Tenant must obtain the consent of Landlord under the Master Lease for such installations. Subtenant shall perform all work within the Subleased Premises at Subtenant's expense in compliance with all applicable laws and shall complete all Alterations in accordance with plans and specifications approved by Tenant, using contractors approved by Tenant, and in a manner so as to not unreasonably interfere with other tenants. Subtenant shall pay, when due, all claims for labor or materials furnished to or for Subtenant at or for use in the Subleased Premises, which claims are or may be secured by any mechanics' or materialsmen's liens against the Subleased Premises or any interest therein. Subtenant shall remove all Alterations at the end of the Sublease term unless Tenant conditioned its consent upon Subtenant leaving a specified Alteration at the Subleased Premises, in which case Subtenant shall not remove such Alteration and it shall become Landlord's property. Subtenant shall immediately repair any damage to the Subleased Premises caused by removal of Alterations.

**9. REPAIRS AND MAINTENANCE; SURRENDER.** Subtenant shall, at its sole expense, maintain the Subleased Premises in good condition and promptly make all repairs and replacements, whether structural or non-structural, necessary to keep the Subleased Premises safe and in good condition, including all utilities and other systems serving the Subleased Premises. Subtenant shall not damage any demising wall or disturb the structural integrity of the Subleased Premises and shall promptly repair any damage or injury done to any such demising walls or structural elements caused by Subtenant or its employees, officers, agents, servants, contractors, customers,

**SUBLEASE AGREEMENT**

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### SUBLEASE AGREEMENT

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clients, visitors, guests, or other invitees. If Subtenant fails to maintain or repair the Subleased Premises, Tenant may enter the Subleased Premises and perform such repair or maintenance on behalf of Subtenant in such case. Subtenant shall be obligated to pay to Tenant immediately upon receipt of demand for payment, as additional Rent, all costs incurred by Tenant. Subtenant shall only be obligated to repair or maintain those portions of the Subleased Premises as provided in the Master Lease. Tenant shall not be required to perform changes to the Subleased Premises because of the enactment of any law, ordinance, regulation or code during the Sublease term. Notwithstanding anything in this Section to the contrary, Subtenant shall not be responsible for any repairs to the Subleased Premises made necessary by the acts of Tenant, Landlord or their employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees.

Upon expiration of the Subleased Lease term, whether by lapse of time or otherwise, Subtenant shall promptly and peacefully surrender the Subleased Premises, together with all keys, to Tenant in as good condition as when received by Subtenant or as thereafter improved, reasonable wear and tear and insured casualty excepted.

**10. ACCESS AND RIGHT OF ENTRY.** After reasonable notice from Tenant (except in cases of emergency, where no notice is required), Subtenant shall permit Tenant or Landlord and their agents, employees and contractors to enter the Subleased Premises at all reasonable times to make repairs, alterations, improvements or inspections. This Section shall not impose any repair or other obligation upon Tenant not expressly stated elsewhere in this Sublease. After reasonable notice to Subtenant, Tenant or Landlord shall have the right to enter the Subleased Premises for the purpose of (a) showing the Subleased Premises to prospective purchasers or lenders at any time, and to prospective tenants within one hundred eighty (180) days prior to the expiration or sooner termination of the Sublease term; and (b) for posting "for lease" signs within one hundred eighty (180) days prior to the expiration or sooner termination of the Sublease term.

### 11. DESTRUCTION OR CONDEMNATION.

**a. Damage and Repair.** If Landlord or Tenant terminate the Master Lease based on casualty to the property in accordance with the Master Lease, this Sublease shall terminate on the same date. If the Subleased Premises or the portion of the property necessary for Subtenant's occupancy are damaged, destroyed or rendered untenable, by fire or other casualty, Tenant may, at its option: (a) terminate this Sublease, or (b) restore (or cause Tenant to restore) the Subleased Premises and the portion of the property necessary for Subtenant's occupancy to their previous condition. Provided, however, if such casualty event occurs during the last six (6) months of the Sublease term (after considering any option to extend the term timely exercised by Subtenant) then either Subtenant or Tenant may elect to terminate this Sublease. If, within sixty (60) days after receipt by Tenant from Subtenant of written notice that Subtenant deems the Subleased Premises or the portion of the property necessary for Tenant's occupancy untenable, Tenant fails to notify Subtenant of its election to restore those areas, or if Tenant is unable to restore those areas within six (6) months of the date of the casualty event, then Subtenant may elect to terminate this Sublease.

If Tenant restores the Subleased Premises or the property under this Section, Tenant shall proceed with reasonable diligence to complete the work, and the base Rent shall be abated in the same proportion as the untenable portion of the Subleased Premises bears to the whole Subleased Premises, provided that there shall be a rent abatement only if the damage or destruction of the Subleased Premises or the property did not result from, or was not contributed to directly or indirectly by the act, fault or neglect of Subtenant, or Subtenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees. Provided, if Tenant complies with its obligations under this Section, no damages, compensation or claim shall be payable by Tenant for inconvenience, loss of business or annoyance directly, incidentally or consequentially arising from any repair or restoration of any portion of the Subleased Premises or the property.

SUBLEASE AGREEMENT

(Continued)

Tenant shall have no obligation to carry insurance of any kind for the protection of Subtenant or any alterations or improvements paid for by Subtenant any Subtenant's Work identified in Exhibit 4 (regardless of who may have contemplated them); Subtenant's furniture, equipment, improvements or apportionances of Subtenant under this Lease, and Tenant shall not be obligated to repair any damage thereto or replace the same unless the damage is caused by Tenant's negligence.

**b. Condemnation.** If the Landlord or Tenant terminate the Master Lease based on a provision in the Master Lease relating to eminent domain or conveyance under threat of condemnation, this Sublease shall terminate on the same date. If the Subleased Premises, the portion of the property necessary for Subtenant's occupancy, or 50% or more of the rentable area of the property are made untenable by eminent domain, or conveyed under a threat of condemnation, this Sublease shall terminate at the option of Tenant or Subtenant as of the earlier of the date title vests in the condemning authority or the condemning authority first has possession of the portion of the property taken by the condemning authority. All Rent and other payments shall be paid to that date.

If the condemning authority takes a portion of the Subleased Premises or the portion of the property necessary for Subtenant's occupancy that does not render them untenable, then this Sublease shall continue in full force and effect and the base Rent shall be equitably reduced based on the proportion by which the floor area of any structures is reduced. The reduction in Rent shall be effective on the earlier of the date the condemning authority first has possession of such portion or title vests in the condemning authority. The Subleased Premises or the portion of the property necessary for Subtenant's occupancy shall not be deemed untenable if 25% or less of each of those areas is condemned. As between Tenant and Subtenant, Tenant shall be entitled to the entire award from the condemning authority attributable to the value of the Subleased Premises or the property and Tenant shall make no claim for the value of its leasehold. Subtenant shall be permitted to make a separate claim against the condemning authority for moving expenses or damages resulting from interruption in its business if Subtenant may terminate this Sublease under this Section, provided that in no event shall Subtenant's claim reduce Landlord's or Tenant's award.

**12. INSURANCE.** Subtenant shall procure and maintain, at its own cost and expense, such liability insurance as is required to be carried by Tenant under the Master Lease, naming Tenant, as well as Landlord, as additional insureds, in the manner required therein, and property insurance as is required to be carried by Tenant under the Master Lease to the extent property insurance pertains to the Subleased Premises. If the Master Lease requires Tenant to insure leasehold improvements or alterations, then Subtenant shall insure the leasehold improvements which are located in the Subleased Premises, as well as alterations in the Subleased Premises made by Subtenant Subtenant shall furnish to Tenant a certificate of Subtenant's insurance required hereunder not later than ten (10) days prior to Subtenant's taking possession of the Subleased Premises. Tenant shall carry insurance as required by the Master Lease and shall not be obligated to carry fire or other insurance if Landlord is obligated to carry it under the Master Lease.

Tenant and Subtenant hereby release each other and any other tenant, their employees, officers, agents, servants, contractors, clients, visitors, guests, or other licensees or invitees, 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 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. This waiver shall not apply to the extent of the deductible amounts to any such policies or to the extent of liability exceeding the limits of such policies. Tenant agrees to use reasonable efforts to obtain from Landlord the same waiver of claims for any loss or damage arising from any cause covered by property insurance required to be carried by Landlord under the Master Lease and, if and to the extent of such waiver by Landlord, Subtenant agrees to the same waiver.







**SUBLEASE AGREEMENT**  
(Continued)

**13. ASSIGNMENT AND SUBLETING.** Subtenant shall not assign, sublet, encumber or otherwise transfer any interest in this Sublease or any part of the Subleased Premises (collectively referred to as a "Transfer"), without first obtaining the written consent of Tenant, which shall not be unreasonably withheld or delayed. Tenant may condition its consent on (a) obtaining any required consent from Landlord; (b) Subtenant satisfying any conditions on the Transfer imposed by Landlord; and (c) such other reasonable conditions that Tenant may impose. No Transfer shall relieve Subtenant of any liability under this Sublease notwithstanding Tenant's consent to such Transfer. Consent to any Transfer shall not operate as a waiver of the necessity for Tenant's consent to any subsequent Transfer. In connection with each request for consent to a Transfer, Subtenant shall pay the reasonable cost of processing same, including attorneys' fees and any cost charged by Landlord for granting its consent under the Master Lease, upon demand of Tenant.

If Subtenant is a partnership, limited liability company, corporation, or other entity, any transfer of this Sublease by merger, consolidation, redemption or liquidation, or any change in the ownership of, or power to vote, which singularly or collectively represents a majority of the beneficial interest in Subtenant, shall constitute a Transfer. As a condition to the Landlord's and Tenant's approval, if given, any potential assignee or sublessee otherwise approved shall assume all obligations of Subtenant under this Sublease and shall be jointly and severally liable with Subtenant and any guarantor, if required, for the payment of Rent and other charges due hereunder and performance of all terms of this Sublease. In connection with any Transfer, Subtenant shall provide Landlord and Tenant with copies of all assignments, subleases and assumption agreements and documents.

**14. MORTGAGE SUBORDINATION AND ATTORNMENT.** This Sublease shall automatically be subordinate to any mortgage or deed of trust created by Landlord to the extent the Master Lease is subordinate to the same mortgage or deed of trust and Subtenant shall attorn on the same terms and conditions as the Tenant in the Master Lease, provided Subtenant shall enjoy the terms and conditions relating to such subordination and attornment to the same extent Tenant does under the terms of the Master Lease.

**15. HOLDOVER.** If Subtenant shall, without the written consent of Tenant, remain in possession of the Subleased Premises and fail to return the Premises to Landlord after the expiration or termination of the Sublease, the tenancy shall be a holdover tenancy and shall be on a month-to-month basis, which may be terminated according to Washington law. Unless a different rate is agreed upon by Tenant, Subtenant agrees to pay to Tenant 150% of the rate of Rent last payable under this Sublease or the holdover rental rate provided in the Master Lease, whichever is greater, during any holdover tenancy. All other terms of the Sublease shall remain in effect.

**16. NOTICES.** All notices under this Sublease shall be in writing and effective (i) when delivered in person or via overnight courier to the other party, (ii) three (3) days after being sent by registered or certified mail to the other party at the addresses set forth in Section 1, or (iii) upon confirmed transmission by facsimile to the other party at the facsimile numbers set forth in Section 1. The addresses for notices and payment of Rent set forth in Section 1 may be modified by either party only by written notice delivered in conformance with this Section.

**17. ESTOPPEL CERTIFICATES.** Upon the written request of Tenant, Subtenant shall deliver to Tenant and/or Landlord or their designee a written estoppel certificate on the same terms and conditions as required by Tenant under the Master Lease.

**18. GENERAL**

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



**SUBLEASE AGREEMENT**

(Continued)

- b. **Brokers' Fees.** Subtenant represents and warrants to Tenant that except for Subtenant's Broker, if any, described and disclosed in Section 20 of this Lease, it has not engaged any firm, finder or other person who would be entitled to any commission or fees for the negotiation, execution or delivery of this Sublease and shall indemnify and hold harmless Tenant against any loss, cost, liability or expense incurred by Tenant as a result of any arrangements or agreements made or alleged to have been made by or on behalf of Subtenant. Tenant represents and warrants to Subtenant that except for Landlord's Broker, if any, described and disclosed in Section 20, it has not engaged any firm, finder or other person who would be entitled to any commission or fees for the negotiation, execution or delivery of this Sublease and shall indemnify and hold harmless Subtenant against any loss, cost, liability or expense incurred by Subtenant as a result of any claim asserted by any such firm, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Tenant.
- c. **Entire Agreement.** This Sublease, which incorporates portions of the Master Lease, contains all of the covenants and agreements between Tenant and Subtenant relating to the Subleased Premises. No prior or contemporaneous agreements or understandings pertaining to the Sublease shall be valid or of any force or effect and the covenants and agreements of this Sublease shall not be altered, modified, or amended to except in writing signed by Tenant and Subtenant.
- d. **Severability.** Any provision of this Sublease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision of this Sublease.
- e. **Governing Law.** This Sublease shall be governed by and construed in accordance with the laws of the State of Washington.
- f. **Memorandum of Sublease.** Except for the pages containing the Commission Agreement, the legal descriptions, and the signatures of the Tenant and Subtenant (all of which may be recorded by Tenant's Broker), this Sublease shall not be recorded. However, if permitted by the Master Lease, Tenant and Subtenant shall, at the other's request, execute and record a memorandum of Sublease in recordable form that identifies Tenant and Subtenant, the commencement and termination dates of the Sublease, and the legal description of the Master Premises and Subleased Premises.
- g. **Submission of Sublease Form Not an Offer.** One party's submission of this Sublease to the other for review shall not constitute an offer to sublease the Subleased Premises. This Sublease shall not become effective and binding upon Tenant and Subtenant until it has been fully signed by both Tenant and Subtenant, and consented to by Landlord (if required by the Master Lease).
- h. **Authority of Parties.** Each party signing this Sublease represents and warrants to the other that it has the authority to enter into this Sublease, that the execution and delivery of this Sublease has been duly authorized, and that upon such execution and delivery this Lease shall be binding upon and enforceable against the party on signing.

**19. EXHIBITS AND RIDERS.** The following exhibits and riders are made a part of this Sublease:

- Exhibit 1 Legal Description of the Master Premises
- Exhibit 2 Master Lease
- Exhibit 3 Outline of Subleased Premises
- Exhibit 4 Tenant Improvement Schedule
- Other:





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**SUBLEASE AGREEMENT**  
(Continued)

**20. AGENCY DISCLOSURE.** At the signing of this Lease,

Tenant is represented by \_\_\_\_\_ (insert)  
name of Broker and Firm as licensed) (the "Tenant's Broker");

and Subtenant is represented by \_\_\_\_\_ (insert)  
name of Broker and Firm as licensed) (the "Subtenant's Broker").

This Agency Disclosure creates an agency relationship between Subtenant, Subtenant's Broker (if any such person is disclosed), and any managing brokers who supervise Subtenant's Brokers' performance (collectively the "Supervising Brokers"). In addition, this Agency Disclosure creates an agency relationship between Tenant, Tenant's Broker (if any such person is disclosed), and any managing brokers who supervise Subtenant's Broker's performance (also collectively the "Supervising Brokers"). If Tenant's Broker and Subtenant's Broker are different real estate licensees affiliated with the same Firm, then both Tenant and Subtenant confirm their consent to that Firm and both Tenant's and Subtenant's Supervising Brokers acting as dual agents. If Tenant's Broker and Subtenant's Broker are the same real estate licensee who represents both parties, then both Subtenant and Tenant acknowledge that the Broker, his or her Supervising Brokers, and his or her Firm are acting as dual agents and hereby consent to such dual agency. If Tenant's Broker, Subtenant's Broker, their Supervising Brokers, or their Firm are dual agents, Subtenant and Tenant consent to Tenant's Broker, Subtenant's Broker, and their Firm being compensated based on a percentage of the rent or as otherwise disclosed on an attached addendum. Neither Tenant's Broker, Subtenant's Broker nor either of their Firms are receiving compensation from more than one party to this transaction unless otherwise disclosed on an attached addendum, in which case Subtenant and Tenant consent to such compensation. Subtenant and Tenant confirm receipt of the pamphlet entitled "The Law of Real Estate Agency."

**21. CONSENT BY LANDLORD.** This Sublease shall be of no force or effect unless consented to by Landlord within 10 days of execution, if such consent is required under the Master Lease. Tenant and Subtenant agree for the benefit of Landlord, that this Sublease and Landlord's consent shall not (a) create privity of contract between Landlord and Subtenant; (b) be deemed to have amended the Master Lease in any regard (unless Landlord shall have expressly agreed in writing to such amendment); or (c) be construed as a consent by Landlord to any future assignment or subletting. Landlord's consent shall, however, be deemed evidence of Landlord's agreement that Subtenant may use the Subleased Premises for the purpose set forth in Section 1(g) and that Subtenant shall be entitled to the waiver of claims and of the right of subrogation as provided in Section 12, Insurance, above.

**22. COMMISSION AGREEMENT.** If Tenant has not entered into a listing agreement (or other compensation agreement with Tenant's Firm), Tenant agrees to pay a commission to Tenant's Firm (as identified in the Agency Disclosure Section above) as follows:

- \$ \_\_\_\_\_ % of the gross rent payable pursuant to the Sublease
- \$ \_\_\_\_\_ per square foot of the Premises
- Other \_\_\_\_\_



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**SUBLEASE AGREEMENT**

(Continued)

Tenant's Broker  shall not if not filled (in) be entitled to a commission upon the extension by Subtenant of the Sublease term pursuant to any right reserved to Subtenant under the Sublease  as provided above or  as follows \_\_\_\_\_ (if no box is checked, as provided above). Tenant's Broker  shall not if not filled (in) be entitled to a commission upon any expansion of the Subleased Premises pursuant to any right reserved to Subtenant under the Sublease, calculated  as provided above or  as follows \_\_\_\_\_ (if no box is checked, as provided above).

Any commission shall be earned upon execution of this Sublease and paid one-half upon execution of the Sublease and one-half upon occupancy of the Subleased Premises by Subtenant. Tenant's Broker shall pay to Subtenant's Broker (as identified in the Agency Disclosure section above), the amount stated in a separate agreement between them or, if there is no agreement, \$ \_\_\_\_\_ or \_\_\_\_\_ % (complete only one) of any commission paid to Tenant's Broker, within five (5) days after receipt by Tenant's Broker.

If any other lease or sale is entered into between Tenant and Subtenant pursuant to a right reserved to Subtenant under the Sublease, Tenant  shall not if not filled (in) pay an additional commission according to any commission agreement or, in the absence of one, according to Tenant's Broker's commission schedule in effect as of the execution of this Sublease. Tenant's successor shall be obligated to pay any unpaid commissions upon any transfer of this Sublease and any such transfer shall not release the transferor from liability to pay such commissions.

**23. BROKER PROVISIONS.**

Tenant's Broker and Subtenant's Broker have made no representations or warranties concerning the Subleased Premises; the meaning of the terms and conditions of this Sublease; Landlord's, Tenant's or Subtenant's financial standing; zoning; compliance of the Subleased Premises with applicable laws; service or capacity of utilities; operating costs; or hazardous materials. Landlord, Tenant and Subtenant are each advised to seek independent legal advice on these and other matters arising under this Sublease.

TENANT Shorewest Wisconsin Liquidators Inc  
SUBTENANT County of Adams Liquidation Inc

TENANT AMERON SYSTEM  
BY AMERON SYSTEM  
ITS: President

SUBTENANT \_\_\_\_\_  
BY AMERON SYSTEM  
ITS: President



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**SUBLEASE AGREEMENT**

(Continued)

**24. LANDLORD'S CONSENT.** Landlord consents to the foregoing Sublease without waiver of any restriction in the Master Lease concerning further assignment, subletting or transfer. Landlord represents that the Master Lease constitutes the entire agreement of Landlord and Tenant concerning the leasing of the Master Premises and has not been amended or modified except as expressly set forth in Exhibit 2. Landlord further represents that, to Landlord's knowledge, Tenant is currently in full compliance with its obligations under the Master Lease.

LANDLORD

ARCEL FORTIS SA

LANDLORD

[Handwritten Signature]

BY

ITS: MEMBER

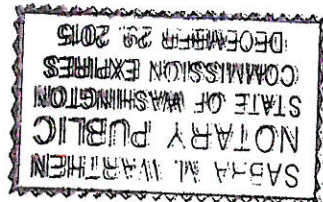


**SUBLEASE AGREEMENT**  
(Continued)

I certify that I know or have satisfactory evidence that Cameron Svenson is the person who appeared before me and said person acknowledged that Cameron Svenson signed this instrument, on oath stated that Cameron Svenson was authorized to execute the instrument of Cameron Svenson to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument. Dated this 22nd day of October, 2014

STATE OF WASHINGTON  
COUNTY OF Cowlitz

ss. \_\_\_\_\_

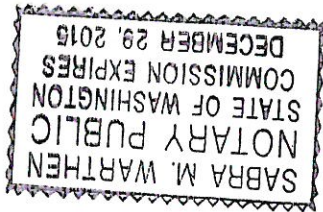


(Legibly Print or Stamp Name of Notary)  
Sabra M. Warthen  
(Signature of Notary)  
Sabra M. Warthen  
Notary public in and for the state of Washington  
Residing at Longview  
My appointment expires 12-29-15

I certify that I know or have satisfactory evidence that Cameron Svenson is the person who appeared before me and said person acknowledged that Cameron Svenson signed this instrument, on oath stated that Cameron Svenson was authorized to execute the instrument of Cameron Svenson to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument. Dated this 22nd day of October, 2014

STATE OF WASHINGTON  
COUNTY OF Cowlitz

ss. \_\_\_\_\_



(Legibly Print or Stamp Name of Notary)  
Sabra M. Warthen  
(Signature of Notary)  
Sabra M. Warthen  
Notary public in and for the state of Washington  
Residing at Longview  
My appointment expires 12-29-15





**SUBLEASE AGREEMENT**  
(Continued)

STATE OF WASHINGTON

COUNTY OF King

ss.

I certify that I know or have satisfactory evidence that Matthew Rattos LLC is the person who appeared before me and said person acknowledged that he was authorized to execute the instrument and acknowledged it as the Member of Rattos LLC of the voluntary act of such party for the uses and purposes mentioned in the instrument. Dated this 15th day of January, 2015.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)

Sherry C. Johnson

Notary public in and for the state of Washington

Residing at

Redmond WA

My appointment expires

04-19-15

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 \_\_\_\_\_ signed this instrument, on oath stated that \_\_\_\_\_ was authorized to execute the instrument and acknowledged it as the \_\_\_\_\_ of \_\_\_\_\_ to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument. Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.



**EXHIBIT 1**

— see master lease


[Legal Description of Master Premises]

**EXHIBIT 1**

(Continued)

**SUBLEASE AGREEMENT**

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**EXHIBIT 2**

— attached

**EXHIBIT 2**  
[Master Lease]

**SUBLEASE AGREEMENT**  
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**EXHIBIT 3**

— see master lease

[Outline of Subleased Premises]

**EXHIBIT 3**

(Continued)

**SUBLEASE AGREEMENT**

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**SUBLEASE AGREEMENT**

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**EXHIBIT 4**

[Subtenant Improvement Schedule]

1. Subtenant Improvements to be Completed by Tenant

None

2. Subtenant Improvements to be Completed by Subtenant

Buy all of tenants cost associated with the cost to install the new electrical power at premises including the cost of a new electrical pole, new pad mounted transformer, new lines and electrical panel.  
Subtenant shall be responsible for installation of distribution of power from the main power panel located in the warehouse.

**EXHIBIT 4**



WESTLAKE ASSOCIATES, INC.  
2810 Eastlake Avenue East  
Seattle, Washington 98102  
Tel: (206) 505-9400  
Fax: (206) 505-9439

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APPENDUM/AMENDMENT TO  
CBA SUBLEASE

The following is part of the Commercial Sublease Agreement dated October 23, 2014 between Svenson Liquidators, Inc. ("Tenant") and Guilf County Corridor Construction Inc. ("Subtenant") regarding the sublease of the property known as 1415 196 Amphistrial with long term WA 98632

IT IS AGREED BETWEEN THE TENANT AND SUBTENANT AS FOLLOWS:

Tenant can raise subtenant rent at any time with thirty (30) days notice.

AGENT (COMPANY): \_\_\_\_\_ By: \_\_\_\_\_

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged.

INITIALS: Tenant CS DATE 10-22-14  
Subtenant \_\_\_\_\_ DATE \_\_\_\_\_  
Tenant \_\_\_\_\_ DATE \_\_\_\_\_  
Subtenant \_\_\_\_\_ DATE 10-22-14