

After Recording Return To:
Snohomish County Property Management
3000 Rockefeller Avenue M/S #404
Everett, WA 98201

LEASE
15928 Mill Creek Blvd., Building #10
Mill Creek, WA 98012

This Lease (the "Lease") is made this _____ day of _____, 2023 between **Investors Management Company, a limited liability company of the State of Washington**, hereinafter referred to as the "Landlord", and **Snohomish County, a political subdivision of the State of Washington**, hereinafter referred to as "County".

1. PREMISES. Landlord does hereby lease to County, and County does hereby lease from Landlord, those certain premises known as Building #10 located at 15928 Mill Creek Blvd., Mill Creek, WA 98012.

Tax Parcel Number: 00689100001000

LOT 10, PLAT OF MILL CREEK PLAZA, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 40 OF PLATS, PAGES 59 THROUGH 63 INCLUSIVE, RECORDS OF THE AUDITOR OF THE COUNTY OF SNOHOMISH, STATE OF WASHINGTON. SITUATE IN THE COUNTY OF SNOHOMISH, STATE OF WASHINGTON.

and shown on the floor plan attached hereto as **Exhibit A** and on the aerial diagram attached hereto as **Exhibit B** and incorporated herein by this reference, which premises are approximately 5,000 leasable square feet for office use and 5,340 leasable square feet for warehouse/storage/garage uses.

2. TERM. The initial term of this Lease shall be for **one (1) year** and commence on October 1, 2023, and end at midnight September 30, 2024. Following the end of the initial term the Lease shall extend on a month-to-month basis for twelve (12) one-month (1-month) terms commencing on October 1, 2024 and terminating on September 30, 2025. The County shall provide thirty (30) days notice to Landlord to cancel the Lease during the extension period.

If the term of this Lease extends beyond the current County fiscal year, the obligations of the County in succeeding fiscal years are contingent upon legislative appropriation for the specific purpose of funding this Lease in accordance with law. In the event that funds are not so appropriated, the County may terminate this Lease without penalty or further obligation.

3. **RENT.** County Leases said Premises for said period and agrees to pay a monthly payment on or before the first business day of each month as follows:

Term	Annual Cost Per Square Foot	Monthly Rent
October 1, 2023 – September 30, 2024	\$14.19	\$12,227.05
Month-To-Month		
October 1, 2024 – September 30, 2025	\$14.76	\$12,716.13

The County will pay service costs not to exceed \$6.00 per square foot for 10,340 square feet of space. Currently service costs are estimated at \$5.58 per square foot for year 2020.

Service Cost Per Sq. Ft.	Square Feet	Monthly Cost	Annual Cost
\$6.26	10,340	\$5,394.03	\$64,728.40

The monthly rent and service cost payment shall be sent to the following address or such other place as the Landlord may from time to time designate in writing:

**Investors Management Co., LLC
c/o Kidder Mathews
P.O. Box 60088
City of Industry, CA 91716**

If any payment is, at any time, fifteen (15) or more days past due, the County will be charged a one-time late charge equal to a total of five (5) percent of the monthly payment past due.

4. **USE.** County will use and occupy the Premises for general office and warehouse/storage/garage uses and Landlord warrants the Premises as structurally fit for this purpose. County agrees that in the operation of the business to be conducted on said Premises and in any occupancy thereof, County shall comply with the laws, rules and regulations of the governments of the United States, State of Washington, Snohomish County and the City in which the Premises are located. County agrees not to use any machinery or equipment in the Premises that might be injurious to the building or that might cause noise or vibration that would be objectionable to other tenants. The County will be allowed within reasonable limits, to hang pictures, whiteboards, smart boards, corkboards, and install shelving and workstation components to earthquake standards without being held responsible for damage to the Premises, and such damage shall be considered reasonable wear and tear. Upon termination of the Lease, County shall quit and surrender the Premises in as good a state and condition as reasonable use and wear and tear thereof permit, damage by the elements, damage resulting from structural unfitness of the Premises for use as general office, and warehouse/storage/garage space or other actions not caused by the County or its employees, agents, customers or invitees excepted.

5. **ALTERATIONS AND FIXTURES.** Landlord agrees to make, at Landlord's expense, any alterations that are required to keep in compliance with any Federal, State, County or City laws and regulations that are required for occupancy of the Premises including all building and fire codes. Landlord agrees that in performing the tenant improvements specified in this Paragraph 5,

it shall comply with all provisions of the Americans with Disabilities Act (42 U.S.C. § 12101 *et seq.*) and any associated regulations, and shall keep the building in continuous compliance with such act and regulations throughout the term of this Lease, including any option or holdover term.

If any alterations are generated for the use of the County only and not for the legal occupancy or to benefit other tenants or customers of the building, the County will pay for the alterations made within the rented space.

County agrees to make no alterations of the Premises without Landlord's prior written consent, which consent shall not be unreasonably withheld. Any such alterations to the Premises shall be made at the County's expense and shall become the property of the Landlord at the termination of the Lease. Upon termination of this Lease, County shall have the right to remove all movable improvements, furnishings and trade fixtures placed therein by the County which can be removed without material injury to the Premises.

6. LIENS. In the event the Premises shall at any time during the term of this Lease become subject to any suit brought to enforce a lien or any statement or claim of lien filed to enforce a lien resulting from the furnishing of materials or labor to County on the Premises and contracted for or agreed to by County, County may contest such lien by legal proceedings but shall, in the event, cause such lien, at its sole cost, to be discharged within thirty (30) days after notice thereof by the substitution therefore of a mechanic's lien release bond, by posting of adequate security for the payment thereof (including all expenses incident thereto), or by such other method as shall be reasonably satisfactory to Landlord.

7. HOLD HARMLESS CLAUSE. Landlord shall protect, hold harmless, indemnify, and defend, at its own expense, the County, its appointed and elected officials, officers, employees, and agents from any loss or claim for damages of any nature whatsoever, including claims by third parties or by Landlord's employees from which it would otherwise be immune under TITLE 51, RCW or other law, arising out of any act or omission on or about the premises or relating to this Lease by Landlord, its officers, assignees, agents, employees, invitees, contractors or subcontractors, except for those claims arising out of the sole negligence of Snohomish County. The parties acknowledge that the foregoing indemnity provisions were mutually negotiated.

8. INSURANCE. The Landlord shall obtain, and maintain continuously for the term of this Lease: a) All-Risk Property Insurance covering the full value of the premises; and b) Primary Commercial General Liability Insurance with endorsements and/or other insurance to indemnify for all damage, loss, cost and expense arising out of the premises and/or actions by Landlord's officers, employees or agents. Minimum limit of coverage shall be for \$1,000,000 per occurrence for bodily injury and property damage. Claims-made policies will not be accepted and deductibles require approval by the County Risk Manager.

The Commercial General Liability insurance shall be endorsed to include Snohomish County, its officers, elected and appointed officials, officers, employees and agents as an additional insured, and shall not be reduced or canceled without thirty (30) days written prior notice to the County.

The Landlord shall provide a Certificate of Insurance and the additional insured endorsement to the County as evidence of coverage. Approval of insurance is a condition precedent to full execution of this Lease.

Snohomish County is self-insured for its common law and assumed liability for bodily injury and/or property damage to third parties in connection with accidents arising out of Snohomish County's operations. The limits of coverage meet or exceed limits typically required and the county's excess liability insurance covers all operations and applies in addition to the self-insurance program.

9. HAZARDOUS WASTE. Landlord represents and warrants, to the best of its knowledge without special inquiry, that no hazardous wastes, hazardous substances, dangerous wastes or other contaminants, as defined in applicable federal, state and/or local statutes or regulations ("Contaminants") are or have in the past been generated, treated or disposed on or at the Premises or the Building, and there have been no releases of Contaminants at the Premises. Landlord further represents and warrants that it has no reason to believe that Contaminants have in the past been generated, treated or disposed at the Premises. Landlord covenants that it shall protect, hold harmless, indemnify and defend County, its elected and appointed officials, officers, employees, and agents, from any and all claims, losses, damages, response costs, and expenses arising out of or in any way relating to the generation, treatment, storage, release or disposal of Contaminants upon the Premises or the Building, including, but not limited to:

- a. claims of third parties, including governmental agencies, for damages, response costs, injunctive or other relief.
- b. the cost, expense, or loss to County of any injunctive relief, including preliminary or temporary injunctive relief, applicable to the County or the Premises.
- c. the expense of reporting the existence of Contaminants to any agency of the State of Washington or the United States as required by applicable laws or regulations, before and after any trial or appeal therefrom whether or not taxable as costs; all of which shall be paid by Landlord when accrued.

Any generation, treatment, storage, release or disposal of Contaminants by County, its employees or agents shall not fall within the scope of the foregoing indemnity.

10. SUBLETTING AND ASSIGNMENT. The County shall not sublet the whole or any part of said Premises, nor assign this Lease, or any part thereof, without the written consent of the Landlord which consent shall not be unreasonably withheld. If consent is once given by the Landlord to the assignment of this Lease, or any interest therein, the Landlord shall not be barred from afterward refusing to consent any further assignment. This Lease shall not be assignable by operation of law.

Any assignment made by the County shall not become effective until the assignee, in writing, shall assume this Lease and agree to perform and be bound by all of the obligations of the County accruing under this Lease from and after the date of such assignment. In the event of such an assignment and assumption, the County shall remain bound by all of the obligations of the County accruing under this Lease. Consent to one assignment or subletting shall not be deemed consent to any subsequent assignment or subletting.

11. CASUALTY REBUILDING CONDEMNATION. In the event the building of which the Premises are a part shall be destroyed or damaged by fire or other causes (and regardless of the extent of the damage to the Premises) to such an extent that the Landlord shall decide to discontinue the operation of the building as office and warehouse/storage space, which decision shall be communicated to the County within thirty (30) days after such damage or destruction, then this Lease shall be terminated as of the date of such damage or destruction. In the event of damage to the Premises by fire or other causes, other than under the circumstances described in the

preceding sentence, Landlord shall repair the Premises within a reasonable time and as quickly as circumstances will permit upon the same plan as immediately before the damage or destruction. Until the Premises are repaired and put in a good and tenantable order, the rents herein provided for, or a fair and just proportion thereof according to the nature and extent of the damage sustained, shall be abated until the Premises shall have been restored to the same condition as they were before such damage or destruction.

In the event that the Premises are not useable as contemplated in this Lease for over ninety (90) days due to the damage, County shall have the right to terminate the Lease.

If the property or any part thereof wherein the Premises are located shall be taken by public or quasi-public authority under any power of eminent domain or condemnation, this Lease, at the option of the Landlord shall forthwith terminate and County shall have no claim or interest in or to any award of damages for such taking.

12. WAIVER OF SUBROGATION. Landlord and County each mutually release the other from every right, claim and demand which may hereafter arise in favor of either arising out of or in connection with any loss occasioned by fire and such other perils as are included in the provisions of the normal extended coverage clauses of fire insurance policies, and do hereby waive all rights of subrogation in favor of insurance carriers arising out of any such losses and sustained by either the Landlord or the County in or to the Premises or any property therein. This waiver of subrogation shall be effective to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, whether or not the person or entity paid the insurance premium directly or indirectly, and whether or not the person or entity has an insurable interest in the property damaged. Provided, however, that if at any time either Landlord or County can obtain a waiver of subrogation clause only for an additional premium, such clause shall be obtained only if the party in whose favor it runs pays such additional premium. If such waiver of subrogation can be obtained only for an additional premium by either Landlord or County, and either party elects not to obtain a waiver of subrogation, this entire clause shall be null and void.

13. NOTICES. All notices to be given by the parties hereto shall be in writing and may either be served personally or may be deposited in the United States mail, postage prepaid, by either registered or certified mail, and if to be given to Landlord, shall be addressed to Landlord at:

**Joan Yankis
Investors Management Co., LLC
P.O. Box 2316
Redmond, WA 98073-2316**

or if to be given to County, shall be addressed to County at:

**Snohomish County Property Management
c/o Property Officer
3000 Rockefeller Avenue M/S 404
Everett, WA 98201**

All notices shall be effective upon the earlier of personal delivery or three (3) days after being mailed.

14. MAINTENANCE, MANAGEMENT AND SERVICES. Landlord covenants and agrees to provide Premises with water, power, sewer, and natural gas utilized in the 24/7 operation of the Premises by the County. Landlord agrees to provide the following maintenance, management and services to the Premises during the County's occupancy of the Premises:

- a) Routine management, maintenance and repair of the interior and exterior of the building and building components and operating equipment, roofing, exterior siding, gutter(s), HVAC units, roll-up door(s) doors, windows, exterior painting, ceiling tiles, insulation interior and exterior lighting fixtures and light bulbs, bathroom and kitchen fixtures and cabinets.
- b) Management Services for the Premises.
- c) Repair and maintenance and cleaning, stripping, snow/ice removal and re-surfacing of parking lot and sidewalks including curb/parking stops, bollard(s).
- d) Repair and maintenance of landscaping, irrigation, planting and replanting of landscaping of the Premises.
- e) Repair and maintenance of any utility lines on the Premises that provide service to the Premises.
- f) Repair, maintenance and testing of building backflow system.
- g) Taxes, Assessments and Insurance.

As set forth in Section 3 of this Lease, County agrees to reimburse Landlord an annual fee, paid in monthly installments with the rent, to cover expenses associated with the maintenance, management and services shown as items (a) through (g) above in this Section 14, to the Premises during the term of this Lease, referred to herein as ("Service Costs").

Landlord shall not be liable for any loss, injury, or damaged property caused by or resulting from any variation, interruption, or failure of service discussed in this Section 14 beyond Landlord's reasonable control. No temporary interruption or failure of such service incident to the making of repairs, alterations, or improvements, or due to accident or strike, or conditions or events beyond Landlord's reasonable control shall be deemed an eviction of County or shall release County from any of County's obligations under this Lease.

The County shall pay directly to the appropriate provider for the following services to the Premises:

- a) Recycling services
- b) Power
- c) Water
- d) Gas
- e) Sewer
- f) Janitorial services
- g) Security systems, testing, and monitoring services solely for County use.
- h) Data and communication systems services solely for County use.
- i) Garbage services.

15. ACCESS REPAIRS. No compensation shall be made to or claimed by County from Landlord by reasons of inconvenience, annoyance or other concerns arising from the making of repairs to or maintenance or alteration of the building or appurtenances of the Premises covered hereby. Landlord reserves the right to make repairs, alterations, connections or extensions when and where the same may be deemed by Landlord to be necessary. However, any repairs, maintenance or alteration of the building or appurtenances shall not render the building unusable

for the purposes of this Lease because of any action arising from the making of the repairs, maintenance or alteration to the building or appurtenances. Nothing herein contained shall be construed as an agreement on the part of the Landlord to make any repairs, alterations, connections or extensions becoming necessary, in the reasonable opinion of Landlord, due to negligence of County, its appointed or elected officials, officers, employees, or agents.

16. SIGNS. County shall have the right to place identifying signage on and about the Premises with Landlord's written consent, which consent shall not be unreasonably withheld, subject to compliance with all applicable laws and building standards.

17. INSOLVENCY. In the event that the County shall make an assignment for the benefit of creditors, or shall be adjudicated as bankrupt, or if a receiver is appointed for the County or if the property of the County upon the Premises shall be seized by any enforcement officer by reason of an attachment, execution or other process, Landlord shall have the option to terminate this Lease.

18. DEFAULT. Upon either party's failure to observe or perform any term or condition of this Lease, that failure having continued for thirty (30) days after the non-defaulting party gives written notice to cure such failure to the other party, such party shall be deemed in default. In the event of default and upon thirty (30) days' written notice of termination to the party in default, the non-defaulting party may terminate this Lease.

19. GOVERNING LAW AND VENUE. This Lease shall be governed by the laws of the State of Washington and any lawsuit regarding this Lease must be brought in Snohomish County, Washington.

20. ATTORNEY'S FEES. In the event of any action at law or in equity between Landlord and County to enforce any of the provisions, rights or obligations hereunder, the unsuccessful party to such litigation agrees to pay to the successful party all costs and expenses, including reasonable attorney's fees incurred therein by the successful party, and if such successful party shall recover judgment in any such action or proceeding, such costs and expenses and attorney's fees shall be included in and as a part of such judgment.

21. NO WAIVER OF COVENANTS. No waiver shall be implied from an omission by either party to take any action related to breach of any covenant, term, or condition of this Lease. One or more waivers of any breach of any covenant, term, or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition.

22. DELAYED POSSESSION. In the event of the inability of Landlord to deliver possession of the Premises for any reason whatsoever at the time of the commencement of the term of this Lease, neither Landlord or its agents shall be liable for any damage caused thereby, nor shall this Lease thereby become void or voidable, nor shall the term herein specified be in any way extended, but in such event County shall not be liable for any rent until such time as Landlord can deliver possession, and in the event that possession is delayed over ninety (90) days, County shall have the right to terminate this Lease.

23. HOLDING OVER. If County, with the consent, express or implied, of the Landlord, shall hold over after the expiration of the term of this Lease, Landlord and County shall remain bound by all the terms, covenants, and agreements hereof, except that the tenancy shall be one from month to month.

24. SUCCESSORS AND ASSIGNS. The rights, liabilities, and remedies provided for herein shall extend to the heirs, legal representatives, successors and, so far as the terms of this Lease permit, assigns of the parties hereto; and the words "Landlord" and "County" and their accompanying verbs or pronouns, wherever used in this Lease, shall apply equally to all persons, firms or corporations which may be or become parties to this Lease.

25. RULES. County agrees to abide by the rules and regulations governing the operation of the building which may be made by Landlord from time to time, and will use reasonable methods to induce customers, clients and all persons invited by County into said building to observe the same.

26. TAXES. Landlord shall be responsible for all real property taxes and assessments levied or assessed against the premises by any governmental entity, including any special assessments imposed on or against the premises for the construction or improvement of public works in, on or about the premises which are reimbursed by the County to Landlord as part of the service costs as outlined in Section 14 of this Lease.

27. RECORDING. County or the Landlord shall file this Lease or a Memorandum Form thereof for recording with the County Auditor, Recording Division, Snohomish County, Washington. If a Memorandum Form of the Lease is filed for recording, each party agrees to execute and return same promptly.

28. TIME. Time is of the essence of this Lease.

29. PARKING. Landlord agrees to provide to the County all of the parking spaces allotted to the Premises.

30. EXHIBITS. Attached and hereby incorporated as a part of this Lease are the following exhibits:

Exhibit A: Floor Plans

Exhibit B: Aerial Diagram

31. ENTIRE AGREEMENT AND AMENDMENTS. This Lease contains all of the agreements between the parties with respect to any matter covered or mentioned in the Lease, and no prior agreement, letter of intent, or understanding relating to any such matter will be effective for any purpose. No provision in this Lease may be amended or added to except by an agreement in writing signed by the parties or their respective successors in interest and using the same formalities as are required by the execution of this Lease.

32. NON-DISCRIMINATION. It is the policy of the County to reject discrimination which denies equal treatment to any individual because of his or her race, creed, color, national origin, families with children, sex, marital status, sexual orientation, age, honorably discharged veteran or military status, or the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability as provided in Washington's Law against Discrimination, Chapter 49.60 RCW, and the Snohomish County Human Rights Ordinance, Chapter 2.460 SCC. These laws protect against specific forms of discrimination in employment, credit transactions, public accommodation, housing, county facilities and services, and county contracts.

The Landlord shall comply with Chapter 2.460 SCC, which is incorporated herein by this reference. Execution of this Lease constitutes a certification by the Landlord of the Landlord's compliance with the requirements of Chapter 2.460 SCC with respect to this Lease. If the Landlord is found to have violated this provision, or furnished false or misleading information in an investigation or proceeding conducted pursuant to Chapter 2.460 SCC, this Lease may be subject to a declaration of default and termination at the County's discretion. This provision shall not affect the Landlord's obligations under other federal, state, or local laws against discrimination.

33. INTERPRETATION. This Lease and each of the terms and provisions of it are deemed to have been explicitly negotiated by the parties. The language in all parts of this Lease shall, in all cases, be construed according to its fair meaning and not strictly for or against either of the parties hereto. The captions and headings of this Lease are used only for convenience and are not intended to affect the interpretation of the provisions of this Lease. This Lease shall be construed so that wherever applicable the use of the singular number shall include the plural number, and vice versa, and the use of any gender shall be applicable to all genders.

34. SURVIVAL. Those provisions of this Lease that by their sense and purpose should survive expiration or termination of the Lease shall so survive.

35. WARRANTY OF AUTHORITY. Each signatory to this Lease represents that he or she has full and sufficient authority to execute this Lease on behalf of the Landlord or the County, as the case may be, and that upon execution of this Lease it shall constitute a binding obligation of the Landlord or the County, as the case may be.

36. SEVERABILITY. Should any clause, phrase, sentence or paragraph of this Lease be declared invalid or void, the remaining provisions of this Lease shall remain in full force and effect.

37. EXECUTION IN COUNTERPARTS. This Lease may be executed in counterparts, each of which shall constitute an original and all of which shall constitute one and the same Lease.

38. PUBLIC RECORDS. This Lease and all public records associated with this Lease shall be available from the County for inspection and copying by the public where required by the Public Records Act, Chapter 42.56 RCW (the "Act"). To the extent that public records then in the custody of the Landlord are needed for the County to respond to a request under the Act, as determined by the County, the Landlord agrees to make them promptly available to the County. If the Landlord considers any portion of any record provided to the County under this Agreement, whether in electronic or hard copy form, to be protected from disclosure under law, the Landlord shall clearly identify any specific information that it claims to be confidential or proprietary. If the County receives a request under the Act to inspect or copy the information so identified by the Landlord and the County determines that release of the information is required by the Act or otherwise appropriate, the County's sole obligations shall be to notify the Landlord (a) of the request and (b) of the date that such information will be released to the requester unless the Landlord obtains a court order to enjoin that disclosure pursuant to RCW 42.56.540. If the Landlord fails to timely obtain a court order enjoining disclosure, the County will release the requested information on the date specified.

The County has, and by this section assumes, no obligation on behalf of the Landlord to claim any exemption from disclosure under the Act. The County shall not be liable to the Landlord for releasing records not clearly identified by the Landlord as confidential or proprietary. The

County shall not be liable to the Landlord for any records that the County releases in compliance with this section or in compliance with an order of a court of competent jurisdiction.

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

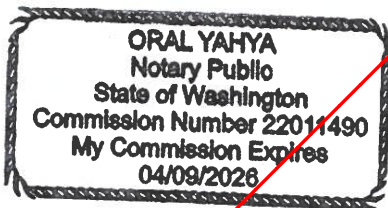
LANDLORD: Investors Management Co., LLC

BY: Joan Yankis 4-3-2023
Joan Yankis, Manager Date

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 3 day of April, 2023, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared **Joan Yankis**, to me known to be the individual described herein and who acknowledged to me the said instrument to be for the uses and purposes therein mentioned, and signed said instrument on behalf of **Investors Management Co., LLC**, as its free and voluntary act and deed.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Oral Yahya
NOTARY PUBLIC in and for the State of
Washington residing at Redmond
My commission expires 4/9/26

EXHIBIT A - FLOOR PLAN

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CONNELL DESIGN GROUP

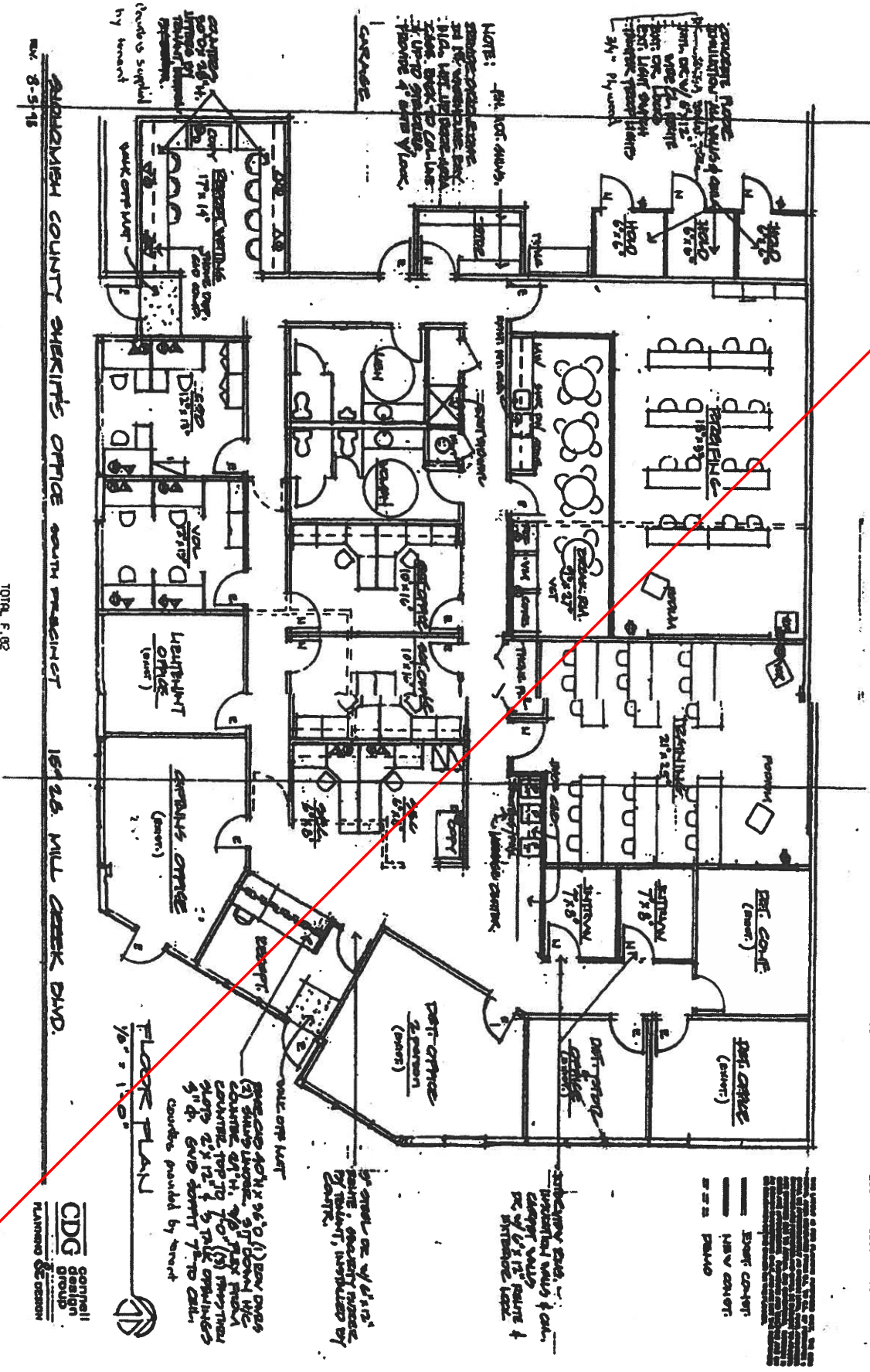
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CONNELL DESIGN GROUP

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EXHIBIT A



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 CONNELL DESIGN GROUP
 286 774 8219 P. 02

TOTAL F. 02

CDG
 Connell design group
 PLANNING & DESIGN

EXHIBIT B - AERIAL DIAGRAM

