

GROUND LEASE AGREEMENT

This LEASE ("Lease") dated September ____, 2025, is made between, **Jeffrey Lervick and Erika Lervick, husband and wife** (hereinafter "Lessor"), and **SNOHOMISH COUNTY**, a political subdivision of the State of Washington (hereinafter "Lessee").

1. **Lease Data and Exhibits.** The following terms as used herein have the meanings provided in this Section 1 unless otherwise specifically modified by provisions of this Lease.

- a) Date of Lease: September ____, 2025
- b) Address of leased Property: At the corner of 67th Avenue NE and
197th Street NE, Arlington, WA 98223
Snohomish County Tax Account No. 31051500101500
- c) Address for Notices to Lessee: Snohomish County
3000 Rockefeller Ave. M/S 404
Everett, Washington 98201
- d) Lessor: Jeffrey and Erika Lervick
- e) Address for Notices to Lessor: P.O. Box 72
Stanwood, WA 98292
- f) With a copy to Lessor's Property Manager N/A
- g) Property Area: 373,754 sq. ft. (approx. 8.58 Acres)
- h) Premises Area: 74,000 sq. ft. (approx. 1.7 Acres)
- i) Term of Lease: Three (3) years and (3) months
Commencement Date: September ____, 2025
Expiration Date: December 31, 2028
- j) Base Monthly Rent: \$2,035.00
- k) Rent Adjustment: None
- l) Prepaid Base Monthly Rent \$2,035.00
- m) Total Deposit: \$2,035.00
- n) Lessee's Allowed Use of Premises: Parking for County staff
and contractor vehicles; construction equipment; storage of County materials – i.e. concrete
barriers, pipe, bridge materials; project materials for redevelopment of Arlington Operations Center.
- o) Brokers: None
- p) Exhibits: Exhibit A - Legal Description of Property
Exhibit B – Map of Leased Area

2. **Premises.** For and in consideration of Lessee's covenant to pay the rental and other sums for which provision is made in this Lease, and the performance of the other obligations of Lessee hereunder, Lessor leases to Lessee, and Lessee leases from Lessor, that certain real property described herein, together with all rights of Lessor, if any, in and to the streets adjacent to the real property (excluding any reversionary rights in and to streets or rights-of-way which may subsequently be vacated or abandoned), and together with all existing rights of air, light and view, for Lessee, its contractors, invitees, sublessees, and employees, along with all easements, privileges, appurtenances, rights, alleys, ways, waters and advantages belonging or appertaining to thereto (the "Premises"). Subject to easements and encumbrances of record as of the date hereof as noted in the records of Snohomish County, Washington. Not included herein are any mineral rights, rights to remove merchantable timber, water rights or any other right to excavate or withdraw minerals, gas, oil or other material, except as specifically granted herein. Lessor further reserves the right to grant easements on the real property, which is the subject of this Lease, provided such grants do not unreasonably interfere with Lessee's use of the Premises. Lessee shall have exclusive use of the Premises. Lessor covenants and agrees that Lessee shall and may peaceably and quietly have, hold and enjoy the Premises hereby demised for the Term herein provided and for the intended uses and purposes, subject nevertheless to the provisions of this Lease. Lessor represents that it owns the Property in fee simple and has the right to lease the same to Lessee.
3. **Lease Term** The term of this Lease ("Term") is as designated in Section 1.(i), commencing on the Commencement Date and ending on the date designated in Section 1.(i) above.
4. **Rent.**
 - 4.1. During the Term, Lessee shall pay to Lessor the Base Monthly Rent set forth in Section 1.(j), without notice or demand, at the address to which notices to Lessor are to be given. Lessee shall pay Base Monthly Rent to Lessor, without deduction or offset, in advance on or before the first day of each month of the Term, except that Base Monthly Rent for the first month or any portion thereof shall be paid on or before the date the Term commences. Base Monthly Rent for any partial month will be prorated.
5. **Possession and Use.**
 - 5.1. Date. Lessee shall have possession of the Premises upon the Commencement Date.
 - 5.2. Inspection. Lessee has inspected the Premises and will accept the same on the Commencement Date in its present condition as disclosed in the attached Phase I environmental audit. Lessee has made an independent investigation of the Premises and has determined that the Premises is in all respects suitable for the Lessee's intended use of the property.
 - 5.3. Use. The Premises is leased to Lessee for such general commercial uses as local zoning and land use regulations allow and consistent with the uses specified in Section 1.(n), and for no other purpose without the prior written consent of Lessor, which consent shall not be unreasonably withheld, conditioned or delayed.
6. **Alterations by Lessee.** Lessee shall not make any alterations to the Premises without the prior written consent of Lessor. After obtaining Lessor's consent, Lessee may make, at its expense, those alterations to the Premises as Lessee desires, provided that any repairs or alterations by Lessee may only be done at times and in conformity with plans and specifications approved in advance in writing by Lessor. Lessee shall make all such alterations in accordance with all laws, rules, regulations, ordinances and

requirements of governmental agencies, offices and boards having jurisdiction. Lessee shall complete, at its sole expense, any alterations to the Property required because of Lessee's alterations, including any alterations required under the Americans with Disabilities Act. Lessee shall reimburse Lessor for any reasonable, documented and out of pocket cost incurred by Lessor in the event Lessor is required to assist in obtaining any approvals. If requested by Lessor, upon any lien being filed against the property by any party claiming by or through Lessee, or on account of any improvements made by or on behalf of Lessee, which is not cleared by Lessee within sixty (60) days after receipt of written notice from Lessor, the Lessee shall post a bond or other security reasonably satisfactory to Lessor to protect Lessor against liens arising from work performed by or for Lessee. All work performed must be done in a workmanlike manner and will be the property of Lessor upon the expiration or earlier termination of this Lease, unless Lessor requires Lessee to remove any such improvements or alterations. In the event Lessor elects to require Lessee to remove such improvements or alterations, Lessee shall restore the Premises to the condition it was in at the commencement of the Term, reasonable wear and tear excepted. Notwithstanding the foregoing, Lessor consents to the following improvements to be made by Lessee: The installation of a chain link fence around the perimeter of the Premises.

7. Use of Premises

7.1. Permitted Use. Lessee shall use the Premises for the purpose set forth in Section 1.(n), and Lessee agrees that by taking possession of the Premises, Lessee has determined to its satisfaction that the Premises can be used for that purpose. Lessee waives any right to terminate this Lease if the Premises cannot be used for that purpose. The Premises may not be used for any other purpose without Lessor's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. The Lessor has corresponded with the Snohomish County Health Department with the intended plans for use of the property as described herein and the Snohomish County Health Department has determined that the short-term use in this lease and long term development of the property in the future does not conflict with any current program the Lessor is currently enrolled in with said department.

7.2. Restrictions on Use. Lessee may not use or occupy the Premises or the Property in violation of any law, ordinance, regulation or the certificate of occupancy issued for the Property, and may not do, bring, or keep anything in or about the Premises that will cause an increased premium for or the cancellation of any insurance covering the Property. If Lessee does cause any such increase in insurance premiums, Lessee shall pay the entire amount thereof, without regard to whether Lessor elects to terminate this Lease as a result of Lessee's unauthorized use of the Premises. Lessee may not use the Premises in any manner that will constitute waste or nuisance, nor may Lessee do anything that will cause damage to the Property.

7.3. Well Tester/Inspector Access and Damage Response. At all times during this lease term the Lessor and their well testing/inspecting company shall have access to the property for periodic testing and monitoring required by the Department of Ecology.

Should the Lessee's occupation and activities prove to damage the well or render it out of commission the Lessee will, at their cost, replace or repair the well to operational standards required for testing and monitoring activities required by the Department of Ecology.

8. **Lessee Maintenance.** By taking possession of the Premises, Lessee accepts the Premises as being in good and sanitary order, condition and repair. Lessee shall, except to the extent caused by the acts of Lessor, its employees, agents or contractors, at its expense, clean, maintain and keep the Premises and all appurtenances in good condition and repair throughout the Term and in the same condition delivered to Lessee, reasonable wear and tear excepted.

9. **Liens.** Lessee shall have no authority, express or implied, to create or place any lien or encumbrance of any kind or nature whatsoever upon, or in any manner to bind, the interest of Lessor in the Premises or to charge the rentals payable hereunder for any claim in favor of any person dealing with Lessee, including those who may furnish materials or perform labor for any construction or repairs, and each such claim shall affect and each such lien shall attach to, if at all, only the leasehold interest granted to Lessee by this instrument. Lessee covenants and agrees that it will pay, cause to be paid, or provide a bond which meets the requirements of RCW 60.04.161 for all sums legally due and payable by it on account of any labor performed or materials furnished in connection with any work performed on the Premises on which any lien is or can be validly and legally asserted against its leasehold interest in the Premises or the improvements thereon and that it will save and hold Lessor harmless from any and all loss, cost or expense based on or arising out of asserted claims or liens against the leasehold estate or against the right, title and interest of the Lessor in the Premises or under the terms of this Lease.
10. Snohomish County, a charter county government under the constitution of the State of Washington, hereinafter referred to as "County", maintains a fully funded Self-Insurance program as defined in Snohomish County Code 2.90 for the protection and handling of the County's liabilities including injuries to persons and damage to property.

Lessor acknowledges, agrees and understands that the County is self-funded for all its liability exposures. The County agrees, at its own expense, to maintain, through its self-funded program, coverage for all its liability exposures for this Lease Agreement. The County agrees to provide the Lessor with at least 30 days prior written notice of any material change in the County's self-funded program and will provide the Lessor with a certificate of self-insurance as adequate proof of coverage. Lessor further acknowledges, agrees and understands that the County does not purchase Commercial General Liability insurance and is a self-insured governmental entity; therefore, the County does not have the ability to add the Lessor as an additional insured.

Should the County elect cease self-insuring its liability exposures and purchase Commercial General Liability insurance, County agrees to add the Lessor as an additional insured.

11. Indemnification and Exculpation of Lessor

11.1. (a) Lessee shall indemnify, defend, and hold Lessor harmless from all claims arising from Lessee's negligence or willful misconduct in its use of the Premises or the conduct of its business, or from any activity, work or thing done, permitted or suffered by Lessee's negligence or willful misconduct in or about the Premises or the Property, except to the extent caused by the negligence or willful misconduct of Lessor, its employees, agents and contractors, or arising from any act or omission of Lessee or of its agents or employees. Lessee's obligation to indemnify Lessor under this section includes an obligation to indemnify for losses resulting from death or injury to Lessee's employees, and Lessee accordingly hereby waives any and all immunities it now has or hereafter may have under any Industrial Insurance Act, or other worker's compensation, disability benefit or other similar act which would otherwise be applicable in the case of such a claim. In case any action or proceeding is brought against Lessor by reason of any such claim, Lessee, upon notice from Lessor, shall defend the same at Lessee's expense, by counsel of Lessee's choice which is reasonably acceptable to Lessor. Lessee, as a material part of the consideration to Lessor, hereby assumes all risk of and waives any claims Lessee might have in respect to damage to property or injury to persons in, upon or about the Premises from any cause whatsoever, except that which is caused by Lessor's negligence or willful misconduct.

(b) Lessor shall indemnify, defend, and hold Lessee harmless from all claims arising from Lessor's negligence or willful misconduct in its use of the Premises or the conduct of its

business, or from any activity, work or thing done, permitted or suffered by acts or omissions of Lessor, Lessor's employees, agents or contractors, except to the extent caused by the negligence or willful misconduct of Lessee, its employees, agents and contractors. In case any action or proceeding is brought against Lessee by reason of any such claim, Lessor, upon notice from Lessee, shall defend the same at Lessor's expense, by counsel of Lessor's choice which is reasonably acceptable to Lessee.

11.2. Neither Lessor nor any partner, director, officer, agent or employee of Lessor will be liable to Lessee, or its partners, directors, officers, contractors, agents, employees, invitees, sublessees or licensees, for any loss, injury, or damage to Lessee or to any other person, or to its or their property, irrespective of the cause of such injury, damage or loss, unless caused by or resulting from the negligence or willful misconduct of Lessor or its employees in the operation or maintenance of the Premises or the Property, or its or their employees, agents, or contractors, or any other lessees or occupants of the Property. Furthermore, neither Lessor, nor any partner, director, officer, agent or employee of Lessor will be liable for any such damage caused by other Lessees or persons in or about the Property, or caused by quasi-public work; or (ii) for consequential damages arising out of any loss of the use of the Premises or any equipment or facilities therein, by Lessee or any person claiming through or under Lessee. Except for indemnification obligations, neither party shall be liable to the other for indirect or consequential damages.

12. **Limitation of Liability.** Lessee agrees that no trustee, officer, employee, agent, advisor, or individual partner of Lessor, or its constituent entities, will be personally liable for any obligation of Lessor hereunder, and that Lessee must look solely to the interest of Lessor in the Property for the enforcement of any claims against Lessor arising hereunder. In no event will either party be responsible for any claim based on the other party's lost profits, the interruption of business, or consequential damages attributable to the breach of either party's obligations hereunder.

13. **Condemnation.** If all or part of the Premises are taken under power of eminent domain, or sold to a condemning authority in lieu thereof, this Lease will terminate as to the part so taken as of the date the condemning authority takes possession. In case of a taking of part of the Premises, or a portion of the Property not required for Lessee's reasonable use of the Premises, this Lease will continue in full force and effect and the Rent will be reduced based on the proportion by which the area in square feet of the Premises is reduced. Any Rent reduction will be effective as of the date possession of a portion of the Premises is delivered to the condemning authority. Any award for the taking of all or part of the Premises under the power of eminent domain, including payments received for a sale to the condemning authority in lieu thereof, will be the property of Lessor, whether made as compensation for diminution in value of the leasehold, for the taking of the fee, or for severance damages. Lessee may make a separate claim for loss of or damage to Lessee's trade fixtures and removable personal property and Lessee's moving expenses, so long as Lessee's claim does not result in any reduction to the amount of the award otherwise payable to Lessor.

14. **Assignment, Subletting and Succession**

14.1. Lessee may not assign or sublet this Lease or the Premises, or any part of either, without first obtaining Lessor's written consent, which consent shall not be unreasonably withheld, conditioned or delayed.

14.2. Consent to one assignment, subleasing or other transfer shall not be deemed to constitute consent to any subsequent assignment, subleasing or other transfer of Lessee's interest in this Lease. Except as expressly provided herein, no such assignment or subletting shall relieve Lessee of any liability under this Lease regardless of whether such liability arises by or through

Lessee. Assignment or subletting shall not operate as a waiver of the necessity for a written consent to any subsequent assignment or subletting, and the terms of such consent shall be binding upon any person holding by, under or through Lessee. Lessor may, at its election, collect rent directly from such assignee or sublessee.

14.3. In the event Lessee desires to assign this Lease or sublet the Premises or any part hereof, Lessee shall give Lessor written notice at least sixty (60) days in advance of the date on which Lessee desires to make such assignment or sublease, which notice shall specify: (a) the name, address and business of the proposed assignee or sublessee, (b) the amount and location of the space affected, and (c) the proposed effective date and duration of the subletting or assignment.

15. Defaults - Remedies

15.1. Default by Lessee. The occurrence of any one or more of the following events constitutes a default under this Lease by Lessee:

15.1.2 Failure by Lessee to make any payment of Rent when due, or failure to make any other payment required hereunder when due, and such failure is not cured within thirty (30) days of written notice from Lessor;

15.1.3 Failure by Lessee to observe or perform any of the covenants, conditions or provisions of this Lease, other than the making of any payment, where that failure continues for a period of 30 days after written notice from Lessor; provided, that if the nature of Lessee's obligation is such that more than 30 days are reasonably required for cure, Lessee will not be in default if Lessee commences to cure within 30 days of Lessor's notice and thereafter diligently pursues completion and completes performance within a reasonable time; or

15.1.4 Lessee's failure to comply with the same Lease term or covenant on three occasions during the Term in the same twelve (12) month period, even if such breach is cured within the applicable cure period.

15.2. Remedies. In the event of any default, Lessor may at any time, without waiving or limiting any other right or remedy, re-enter and take possession of the Premises, terminate this Lease, accelerate all Rent payments due hereunder which payments will then become immediately due and payable, or pursue any other remedy allowed by law. Lessee shall pay Lessor the reasonable, documented and out of pocket costs of recovering possession of the Premises, and any other costs or damages arising out of Lessee's default. Notwithstanding any re-entry or termination, Lessee will remain liable for all sums Lessee is obligated to pay hereunder for the balance of the Term, and Lessee shall compensate Lessor for any deficiency arising from reletting the Premises, provided, however, that Lessor shall use reasonable efforts to mitigate its damages. Unless the Lessor elects to accelerate the Rent owed hereunder, Lessee shall pay such deficiency each month as the amount thereof is ascertained by Lessor.

15.3. Default by Lessor. Lessor will not be in default unless Lessor fails to perform an obligation within 30 days after notice by Lessee, which notice must specify the alleged breach; provided, that if the nature of Lessor's obligation is such that more than 30 days are reasonably required for cure, Lessor will not be in default if Lessor commences to cure within 30 days of Lessee's notice and thereafter diligently pursues completion and completes performance within a reasonable time.

16. **Waiver.** Failure of either party to promptly enforce its rights hereunder will not waive such rights. Lessor's acceptance of Rent after a Lessee breach will not waive such breach.
17. **Access.** Lessor may enter the Premises during normal business hours and upon reasonable prior notice to Lessee, unless an emergency circumstance exists, to inspect; show the Premises to prospective purchasers or Lessees; or post notices of non-responsibility, all without being deemed a constructive eviction, provided Lessor shall not unreasonably interfere with Lessee's operation of its business at the Premises.

18. Mortgages, Deeds of Trust - Priority and Attornment

18.1. Lessor may mortgage the Premises or Property or grant deeds of trust with respect thereto. Lessee agrees to execute such reasonable estoppel certificates as may be required by a mortgagee or deed of trust beneficiary stating that the Lease is in full force and effect and certifying the dates to which Rent and other charges have been paid.

18.2. This Lease is subject and subordinate to any mortgage or deed of trust which is now a lien upon the Property or the Premises, and to any or all advances to be made or amounts owing thereunder, and all renewals, replacements or consolidations and extensions thereof. This Lease is also subject and subordinate to any mortgages or deeds of trust that may hereafter be placed upon the Property or Premises and to any or all advances to be made or amounts owing thereunder, and all renewals, replacements, consolidations and extensions thereof, provided that the mortgagee named in the mortgage or the beneficiary named in the deed of trust shall execute with Lessee a mutually acceptable subordination, non-disturbance and attornment agreement. Lessee shall execute and deliver, within 10 days after demand therefor, whatever instruments may be required from time to time by any mortgagee or deed of trust beneficiary for any of the foregoing purposes and as are acceptable to Lessee in its reasonable discretion. Upon request by Lessor or the holder of any mortgage, lien or deed of trust now existing or that may hereafter be placed upon the Premises or Property, Lessee will promptly execute an agreement of subordination, non-disturbance and attornment in form acceptable to such requestor and to Lessee which is consistent with the foregoing.

19. **Notices.** Any notice required or permitted hereunder must be in writing and will be effective upon the earlier of personal delivery, or 3 days after being mailed by certified mail, return receipt requested, addressed to Lessee or to Lessor at the address for that party designated in Section 1 of this Lease. Either party may specify a different address for notice purposes by written notice to the other.
20. **Prior Agreements.** This Lease contains all the agreements of the parties with respect to any matter covered or mentioned in the Lease, and no prior agreement, letter of intent or understanding pertaining to any such matter will be effective for any purpose. No provisions of this Lease may be amended or added to, except by an agreement in writing signed by the parties or their respective successors in interest.
21. **Vacation of Premises - Holding Over.** Upon written notice from Lessor given at any time prior to the expiration of the Term, Lessee shall promptly vacate the Premises on or before the last day of the Term, leaving the Premises in the condition described in Section 24. If Lessee holds over after the expiration or earlier termination of the Term without the express written consent of Lessor, Lessee will be a Lessee at sufferance only and otherwise subject to the terms, covenants and conditions herein specified, insofar as applicable. Acceptance by Lessor of Rent after the expiration of the Term or earlier termination thereof will not result in a renewal of this Lease. The foregoing provisions of this section are in addition to and do not affect Lessor's right of re-entry or any other rights of Lessor hereunder or

as otherwise provided by law. Lessee hereby indemnifies and agrees to hold harmless Lessor from all loss, injury or liability arising from Lessee's failure to surrender the Premises upon the expiration or termination of this Lease.

22. **Brokers.** Each party warrants to the other that it has had no dealings with any real estate broker or agent in connection with the negotiation of this Lease, except as identified in Section 1.17 of this Lease, and that it knows of no other real estate broker or agent who is or might be entitled to a commission in connection with this Lease. If either party has dealt with any other person or real estate broker with respect to leasing or renting space in the Property, that party shall be solely responsible for the payment of any fee due to that person or firm and shall indemnify and hold the other harmless from and against any liability in respect thereof.
23. **Successors and Assigns.** Except as otherwise provided in this Lease, all of the covenants, conditions and provisions of this Lease are binding upon and inure to the benefit of the parties and their respective heirs, personal representatives, successors and assigns. If Lessor sells or otherwise conveys its title to the Property, then after the effective date of such sale or conveyance Lessor will have no further liability under this Lease to Lessee except as to matters of liability which have accrued and are unsatisfied as of the date of sale or conveyance, and Lessee must seek performance solely from Lessor's purchaser or successor in title. Lessor's successor will have all rights of Lessor hereunder.
24. **Surrender of Premises.** The voluntary or other surrender of this Lease by Lessee, or a mutual cancellation thereof, will not work a merger, and will, at the option of Lessor, operate as an assignment to it of any or all subleases or subtenancies. Upon the expiration or earlier termination of this Lease, Lessee shall peaceably surrender the Premises and all of the alterations and additions thereto, leave the Premises broom clean, in as good order, repair and condition as was provided to Lessee on the Commencement Date, reasonable wear and tear excepted, and Lessee shall comply with the provisions of Sections 8 and 9. The delivery of keys to any employee of Lessor or to Lessor's agent or any employee thereof shall not be sufficient to constitute a termination of this Lease or a surrender of the Premises.
25. **Performance by Lessee.** Except as otherwise expressly provided hereunder, all covenants and agreements to be performed by Lessee under this Lease will be performed by Lessee at Lessee's sole cost and expense and without any abatement of Rent. If Lessee fails to pay any sum of money owed to any party other than Lessor for which Lessee is liable hereunder, or if Lessee fails to perform any other act on its part to be performed hereunder, and such failure continues for 10 days after notice thereof by Lessor, Lessor may, without waiving or releasing Lessee from its obligations, make any such payment or perform any such other act to be made or performed by Lessee. Lessee shall pay Lessor, on demand, all sums so paid by Lessor and all necessary incidental costs, together with interest thereon at the lesser of 1-1/2% per month or the maximum rate permissible by law, from the date of such payment by Lessor.
26. **Americans With Disabilities Act.** Without limiting any other provision of this Lease, in performing any alterations or improvements to the Premises permitted by the terms of this Lease, Lessee shall be obligated at its sole cost and expense to perform all such alterations and improvements in accordance with the Americans with Disabilities Act (42 U.S.C. ' 12101 *et seq.*) and any regulations promulgated pursuant thereto effective from time to time during the term of this Lease, and any period of holding over by Lessee ("ADA Requirements"), and Lessee shall be responsible at its sole cost and expense to make any further alterations or improvements to the Premises required by the ADA Requirements as a result of the alterations or improvements to the Premises initially sought to be made by Lessee. Any additional alterations or improvements made to effect compliance with the ADA Requirements shall likewise be made in accordance with the procedures and requirements established by Section 6 hereof.

27. **Execution Required.** Submission of this instrument for examination or signature by Lessee does not constitute a reservation of or option for Lease, and is not effective as a Lease or otherwise, until execution by and delivery to both Lessor and Lessee.
28. **Time.** Time is of the essence with respect to the performance of this Lease; however, if the date for performance of any provision of this Lease is a Saturday, Sunday, or banking holiday in the State in which the Premises are located, then the date for performance shall be extended until the next day that is not a Saturday, Sunday, or banking holiday in the State in which the Premises are located.
29. **Severability.** Any provision of this Lease which proves to be invalid, void or illegal will in no way affect, impair, or invalidate any other provision hereof, and such other provisions will remain in full force and effect.
30. **Governing Law; Venue.** This Lease is to be governed by and construed in accordance with the laws of the State of Washington. Lessor and Lessee hereby agree that venue of any action between parties relating to this Lease will be in Snohomish County, Washington.
31. **Hazardous Substances.**

31.1. Hazardous Substances. Lessee shall not generate, handle, store, or dispose of any Hazardous Substance on, under, or in the Premises, the Property, or the real property upon which the Premises are situated. As used herein, the term "Hazardous Substance" means any hazardous, toxic, or dangerous substance, waste, or material, which is or becomes regulated under any federal, state or local statute, ordinance, rule, regulation, or other law now or hereafter in effect pertaining to environmental protection, contamination, or cleanup. Lessee agrees to hold harmless, protect, indemnify, and defend Lessor from and against any damage, loss, claim, or liability resulting from any breach of this covenant, including any attorneys' fees and costs incurred. This indemnity will survive the termination of this Lease, whether by expiration of the Term or otherwise. In addition to any other indemnity from Lessor provided for in this Lease, Lessor shall indemnify, defend, protect, and hold harmless Lessee and its partners and their respective partners, directors, officers, employees, agents, attorneys, successors, and assigns, from and against any and all claims, liabilities, penalties, fines, judgments, forfeitures, losses, costs, or expenses (including attorney's fees, consultants' fees, and expert fees) for the death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by: (a) the presence in, on, beneath or arising from the Premises, and/or any discharge or release at or from the Premises of any Hazardous Substance, except to the extent that any such presence, discharge, or release is caused by Lessee's activities on the Premises; or (b) the failure of Lessor, its employees, agents or contractors or any other tenant on the real property to comply with any Environmental Law. This indemnity will survive the termination of this Lease, whether by expiration of the Term or otherwise.

31.2. Hazardous Substance Definition. For the purposes of this Agreement, "hazardous substance" means any hazardous or toxic substances, materials or wastes, including, but not limited to, those substances, materials, and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and amendments thereto, or such substances, materials and wastes which are or become regulated under any applicable local, state or federal law including, without limitation, any material, waste or substance which is (i) petroleum, (ii) asbestos, (iii) polychlorinated biphenyls, (iv) defined as a "hazardous waste", "extremely hazardous waste", "restricted hazardous waste" or "hazardous substance" under RCW Chapter 70.105 (Hazardous Waste Management) or RCW 70.105D (Hazardous Waste Cleanup--Model Toxics Control Act), (v) designated as a "hazardous substance" pursuant to Section 311 of the

Clean Water Act, 33 U.S.C. §1251 et seq. (33 U.S.C. §1321) or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. §1317), (vi) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. §6903), or (vii) defined as a "hazardous substance" pursuant to Section 01 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §9601, et seq. (42 U.S.C. §9601), all as amended, replaced or succeeded, and any other substance or matter defined as a toxic or hazardous substance or material or pollutant or contaminant under any other federal, state or local laws, ordinances or regulations or under any reported decision of a state or federal court, or any substance or matter imposing liability for clean-up costs or expenses on any person or entity under any statutory or common law theory ("Environmental Laws").

31.3. Condition of Property. Lessor makes no warranties, express or implied, as to the existence of hazardous or toxic substances upon the property. Lessee agrees to lease the Premises "**AS IS, WITH ALL FAULTS**", including, but not limited to the existence of hazardous or toxic substances upon the property. Lessee has inspected the Premises, and accepts the same in its present condition, with all faults. This Lease shall be effective notwithstanding the presence of hazardous substances that may exist upon the Property.

32. **Patriot Act.** Lessor represents, warrants and covenants that neither Lessor nor any of its partners, officers, directors, members or shareholders, has been, is, or hereafter will be, (a) listed on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Asset Control, Department of the Treasury ("OFAC") pursuant to Executive Order No. 13224, 66 Fed. Reg. 49079 (Sept. 25, 2001) ("Order") and all applicable provisions of Title III of the USA Patriot Act (Public Law No. 107-56 (October 26, 2001)); (b) listed on the Denied Persons List and Entity List maintained by the United States Department of Commerce; (c) listed on the List of Terrorists and List of Disbarred Parties maintained by the United States Department of State, (d) listed on any list or qualification of "Designated Nationals" as defined in the Cuban Assets Control Regulations 31 C.F.R. Part 515; (e) listed on any other publicly available list of terrorists, terrorist organizations or narcotics traffickers maintained by the United States Department of State, the United States Department of Commerce or any other governmental authority or pursuant to the Order, the rules and regulations of OFAC (including without limitation the Trading with the Enemy Act, 50 U.S.C. App. 1-44; the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-06; the un repealed provision of the Iraq Sanctions Act, Publ.L. No. 101-513; the United Nations Participation Act, 22 U.S.C. § 2349 aa-9; The Cuban Democracy Act, 22 U.S.C. §§ 60-01-10; The Cuban Liberty and Democratic Solidarity Act, 18.U.S.C. §§ 2332d and 233; and The Foreign Narcotic Kingpin Designation Act, Publ. L. No. 106-120 and 107-108, all as may be amended from time to time); or any other applicable requirements contained in any enabling legislation or other Executive Orders in respect of the Order (the Order and such other rules, regulations, legislation or orders are collectively called the "Orders"); (f) engaged in activities prohibited in the Orders; or (g) convicted, pleaded nolo contendere, indicted, arraigned or custodially detained on charges involving money laundering or predicate crimes to money laundering, drug trafficking, terrorist-related activities or other money laundering predicate crimes or in connection with the Bank Secrecy Act (31 U.S.C. §§ 5311 et. seq.).
33. **Liens.** Lessor hereby waives any common law or statutory lien or right of distraint it may have in any inventory, trade equipment, machinery or other personal property belonging to Lessee.

LESSOR:

Jeffrey Lervick


Erika Lervick

LESSEE:

SNOHOMISH COUNTY, a political subdivision of
the State of Washington

By: _____
Name: _____
Title: _____

Approved as to Form:

Guadamud,  Digitally signed by
Rebecca Guadamud, Rebecca
Date: 2025.08.29 10:29:28
-07'00'

Rebecca Guadamud
Snohomish County
Deputy Prosecuting Attorney

Review By Risk Management

☐ approved ☐ other

Barker, Sheila  Digitally signed by Barker,
Sheila
Date: 2025.08.29 10:02:32
-07'00'

Sheila Barker
Snohomish County Risk Management

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STATE OF WASHINGTON)
)ss.
COUNTY OF _____)

On this _____ day of _____, _____, Jeffrey Lervick appeared before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally came Jeffrey Lervick, to me known to be the individual described in and who executed the within instrument and acknowledged to me that they signed and sealed the same as their free and voluntary act and deed for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first written above.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State
of Washington, residing at _____.

My appointment expires: _____.

STATE OF WASHINGTON)
)ss.
COUNTY OF _____)

On this _____ day of _____, _____, Erika Lervick appeared before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally came Erika Lervick, to me known to be the individual described in and who executed the within instrument and acknowledged to me that they signed and sealed the same as their free and voluntary act and deed for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first written above.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State
of Washington, residing at _____.

My appointment expires: _____.

STATE OF WASHINGTON)
) ss.
COUNTY OF SNOHOMISH)

I certify that I know or have satisfactory evidence that _____, who is the individual who signed this instrument in my presence, on oath stated that she was authorized to execute the instrument and acknowledged it as a _____, of SNOHOMISH COUNTY, a political subdivision of the State of Washington, to be the free and voluntary act of such party of the uses and purposes mentioned in this instrument.

GIVEN under my hand and official seal this _____ day of _____, 2025.

NOTARY PUBLIC in and for the State of
Washington, residing at: _____
My commission expires: _____

EXHIBIT "A"

LEGAL DESCRIPTION

The East 1.7 acres as measure along the north and south lines of the following described property:

The south half of the north half of the southeast quarter of the northeast quarter of Section 15, Township 31 N, Range 5 E, W.M.,

TOGETHER WITH the north 15 feet of the south half of the north half of the southeast quarter of the northeast quarter of Section 15, Township 31 N, Range 5 E, W.M;
EXCEPT 67th Avenue Northeast; and

LESS right of way conveyed to the City of Arlington per Statutory Warranty Deed recorded under Auditor's File No. 200111140101;

LESS right of way conveyed to the City of Arlington under Statutory Warranty Deed recorded under Auditor's File No. 200305080139.

All situate in the county of Snohomish County, state of Washington.

Exhibit B - Approx. Lease Area & Improvements



Approximate area for
use during lease

temporary fence (to
be added during
lease)

Temporary gravel
access to 197th St
(instead of access on
67th Ave) with gate
installed into fence

Cottonwood trees (to
be removed)