

## LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made by and between the CITY OF REDMOND, a municipal corporation (hereinafter "Property Owner"), and PPF AMLI REDMOND WAY, LLC, a Delaware limited liability company (hereinafter "Tenant") effective as of the date last signed by Property Owner and Tenant (the "Effective Date").

### WITNESSETH

FOR AND IN CONSIDERATION of the rents herein reserved and in further consideration of the mutual promises, terms and conditions hereof, the parties hereby agree as follows:

#### 1. PREMISES

Property Owner hereby leases to Tenant, and Tenant hereby leases from Property Owner, all of the real property described in Exhibit A attached hereto and all improvements located thereon (the "Premises"), being located at 16725 Cleveland Street, Redmond, Washington 98052, also known as King County Assessor Parcel 1225059019, with a area of 25,913 square feet.

#### 2. USE

2.1. Use. The Premises shall be used by Tenant for purposes of facilitating the demolition and construction of improvements on the real properties owned by Tenant located to the East of the Premises ("Tenant's Properties"), including, without limitation, exclusive use of the Premises by Tenant, Tenant's contractors, consultants and suppliers and their respective invitees, employees and subcontractors for (i) parking and (ii) placement and use of trailers, materials, equipment, scaffolding, and construction fences.

2.2. Other Agreements. Property Owner represents and warrants there are no agreements that would prevent, restrict or limit Tenant's use of the Premises as permitted in this Lease other than that certain Reciprocal Access and Parking Easement recorded December 15, 1988, under Instrument No. 8812150222 in Exhibit B. Tenant agrees that its use of the Premises shall be subject to such Reciprocal Access and Parking Easement.

#### 2.3. Tenant Responsibilities.

2.3.1. Tenant shall be responsible, at its cost, for (i) maintaining all required silt fencing and erosion control per the City's stormwater requirements and Temporary Erosion and Sediment Control Plan (TESC) requirements shown on the demo plans for the Premises; and (ii) protecting adjacent public facilities (curb, sidewalk, utilities, etc.).

2.3.2. Notwithstanding anything in this Lease to the contrary, Tenant shall not be liable nor responsible for, the removal, remediation or disposal from the Premises of any hazardous materials located on, in or under the Premises or any adjacent property including on, in or under any improvements, soils or groundwater.

2.3.3. Tenant will not bring hazardous materials onto the Premises. However, Tenant will be liable and responsible for the removal, remediation, or disposal from the premises of any hazardous materials located on, in or under the Premises or any adjacent property including on, in or under any improvements, soils, or groundwater, caused by or the result of the Tenant's use of the Premises to the extent that such hazardous materials were brought upon the Premises by Tenant or Tenant's contractors, consultants, and suppliers.

### 3. TERM

The Premises is hereby leased to Tenant for a period of two (2) years commencing on the Effective Date. At the end of the two (2) year term, Tenant may request that the Property Owner agree to extend the term of the lease on a month-to-month basis for up to one additional year. Such request by Tenant shall be in writing and submitted to the Property Owner at least ninety (90) days in advance of the expiration of the initial two (2) year term. After the expiration of the initial two (2) year term, this Lease may be terminated by either Property Owner or Tenant at any time upon ninety (90) days' prior written notice to the other party, without payment of any termination fee or penalty.

### 4. CONSIDERATION

4.1. Rent. Commencing on the Effective Date, Tenant agrees to pay Property Owner at the address listed in Section 19. Notices, rent of \$4,000.00 per month, prorated for partial months.

4.2. Leasehold Excise Tax. In addition to rent, Tenant shall pay to Property Owner, the leasehold tax of 12.84% of the Rent as set forth in RCW Chapter 82.29A - Leasehold Excise Tax (as amended from time to time). The leasehold excise tax shall be due and payable to the Property Owner monthly at the same time rent is due and payable.

### 5. UTILITIES

Neither Property Owner nor Tenant shall be responsible for providing, maintaining, repairing, or replacing any utilities to the Premises.

### 6. ACCEPTANCE AND CARE OF PREMISES

Tenant has inspected the Premises and accepts the Premises "AS IS" in its present condition. During the term of this Lease and any extension thereof, Tenant, at Tenant's sole cost, shall keep the Premises in a neat, clean, and sanitary condition and in compliance with all applicable statutes, city ordinances and directions or regulations of the proper public authorities as required for Tenant's use of the Premises as provided in this Lease; provided, Property Owner agrees Tenant shall not be required to maintain, improve, repair, or replace any buildings, equipment or improvements located on the Premises as of the Effective Date.

## 7. INSURANCE

Tenant (or Tenant's demolition contractor) shall maintain commercial general liability insurance against any loss, liability or damage on, about or relating to Tenant's activities involving the Premises with limits of not less than \$5,000,000 combined single limit, per occurrence and in the aggregate, and containing a deductible or self-insured retention of not more than \$10,000. Tenant is responsible for all the costs and expenses of the deductible or self-insured retention. The insurance shall name Property Owner as a Primary Non-Contributory additional insured. The insurance shall (a) be written by a company having a financial rating of at least "X" (ten) and a general policy holder's rating of "A," as rated in the most current Best's Key Rating Guide Property – Casualty, (b) have attached thereto an endorsement that such policy shall not be cancelled or materially changed without thirty (30) days' prior written notice to Property Owner, and (c) provide for severability of interests. Tenant shall deliver a certificate of insurance for the insurance policy required under this paragraph to Property Owner within 30 days following execution of this Lease. In addition, Tenant shall maintain Workers Compensation and Employers' Liability insurance as required by Washington State.

## 8. INDEMNIFICATION

Tenant agrees to hold harmless, indemnify and defend Property Owner from and against any and all claims, losses or liability, for injuries, sickness or death of persons, including employees of Tenant, or damage to property, arising out of a willful misconduct or negligent act, error, or omission of Tenant, its officers, agents, contractors or employees, in connection with Tenant's activities under this Lease, provided, however, that:

8.1 Tenant's obligations to indemnify, defend and hold harmless shall not extend to injuries, sickness, death or damage to the extent caused by or resulting from the willful misconduct or negligence of Property Owner; and

8.2 Tenant's obligations to indemnify, defend and hold harmless for injuries, sickness, death or damage caused by or resulting from the concurrent negligence or willful misconduct of Tenant, or of the Tenant and a third party other than an officer, agent, contractor or employee of Tenant, shall apply only to the extent of the negligence or willful misconduct of Tenant.

## 9. ALTERATIONS OR IMPROVEMENTS

Tenant shall not make any alterations, additions, renovations or improvements in or to the Premises without first obtaining the written consent of Property Owner. All alterations, additions, renovations and improvements which shall be made shall be at the sole cost and expense of Tenant and, if not removed by Tenant, shall become a part of the real property and belong to Property Owner and shall remain in and be surrendered with the Premises by Tenant at the sole discretion of Property Owner. Tenant further agrees to indemnify and hold Property Owner and the Premises free and harmless from, and against, any and all damages, injuries, losses, liens, costs or expenses (including attorneys' fees) incurred, claimed or arising out of said work. Property Owner reserves the right to review and approve Tenants' plans, specifications and contractor and, further, Property

Owner reserves the right to impose such restrictions or conditions upon its consent to the above work, including the requirement that Tenant appropriately bond the same, as Property Owner may deem reasonably appropriate. During the term of this Lease, Property Owner shall not make any alterations, additions or improvements to the Premises without the prior consent of Tenant.

#### 10. COMPLIANCE WITH LAWS

Tenant shall comply fully with all federal and state statutes and city ordinances now or hereafter in force in respect to the Premises and Tenant's activities therein; provided, Property Owner agrees Tenant shall not be required to maintain, improve, repair, or replace any buildings, equipment or improvements located on the Premises as of the Effective Date or excavate, remove and/or remediate any below-grade improvements (including, without limitation, any underground storage tanks or utilities), soils, groundwater, and/or hazardous substances existing in or about the Premises as of the Effective Date except for and to the extent that such hazardous materials were brought upon the Premises by Tenant or Tenant's contractors, consultants and suppliers. Tenant warrants and represents to Property Owner that Tenant shall use the Premises only for lawful purposes.

#### 11. SIGNS OR ADVERTISING

Tenant will not inscribe, post, place, or in any manner display any sign, notice, picture, poster or any advertising matter whatsoever anywhere in or about the Premises, without first obtaining Property Owner's written consent thereto; provided, Tenant may, without the consent of Property Owner, display identification, informational, wayfinding, rules, restrictions, parking, and similar signs that comply with applicable laws. Any consent so obtained from Property Owner shall be with the understanding and agreement that Tenant will remove same at the termination of the tenancy herein created and repair any damage or injury to the Premises or the Building caused thereby.

#### 12. WASTE AND UNLAWFUL USE

Tenant will not commit or suffer any waste upon the Premises, or disturb the quiet enjoyment of any occupants of adjacent properties by making or suffering any nuisance, undue or unseemly noise, or otherwise (provided, Property Owner agrees that the uses permitted under this Lease shall not be prohibited as long conducted in compliance with all applicable laws), and will not do or permit to be done in or about the Premises anything which is illegal or unlawful.

#### 13. COSTS AND ATTORNEYS' FEES

If, by reason of any default or breach hereunder by Property Owner or by Tenant, it becomes necessary to institute a lawsuit, the prevailing party in such action shall be entitled to recover, as part of any judgment, such amount as the court shall determine reasonable as attorneys' fees for the prevailing party in such lawsuit, together with taxable costs.



#### 14. NONWAIVER OF BREACH

The failure of Property Owner to insist upon strict performance of any of the covenants and agreements of this Lease or to exercise any option herein conferred in any one or more instances shall not be construed to be a waiver or relinquishment of any such or of any other covenant or agreement, but the same shall be and remain in full force and effect.

#### 15. REMOVAL OF PROPERTY

In the event of any entry in, or taking possession of, the Premises upon the termination of this Lease, Property Owner shall have the right, but not the obligation, to remove from the Premises all personal property located therein, and may store the same in any place selected by Property Owner, including but not limited to a public warehouse, at the expense and risk of the owners thereof, with the right to sell such stored property, without notice to Tenant, after it has been stored for a period of thirty (30) days or more. The proceeds of such sale shall be applied first to the cost of such sale, second to the payment of the charges for storage, if any, and third to the payment of any other sums of money which may then be due from Tenant to Property Owner under any of the terms hereof, with the balance, if any, to be paid to Tenant.

#### 16. HOLDOVER

If Tenant shall, without the written consent of Property Owner, hold over after the expiration of the term of this Lease, such tenancy shall be for an indefinite period of time on a month-to-month tenancy, which tenancy may be terminated as provided by the laws of the State of Washington. During such tenancy, Tenant agrees to pay to Property Owner the same rate of rental as set forth herein, unless a different rate is agreed upon, and to be bound by all the terms, covenants and conditions as herein specified, so far as applicable.

#### 17. COOPERATION PROVISION

Both parties agree to cooperate to carry out the terms of this Lease. Each of the parties agree to execute, acknowledge, and deliver upon request of either party any document which requesting party reasonably deems necessary or desirable to evidence or effectuate the rights herein conferred or to implement or consummate the purposes and intents hereof, so long as such imposes no different or greater burden upon such party that is otherwise imposed hereunder.

#### 18. ASSIGNMENT AND SUBLETTING

18.1 Tenant shall not transfer, assign, mortgage or hypothecate this Lease, in whole or in part, or permit the use of the Premises by any person or persons other than Tenant, Tenant's contractors, consultants and suppliers and their respective invitees, employees and subcontractors, or sublet the Premises, or any part thereof, without the prior written consent of Property Owner in each instance, which consent shall not be unreasonably withheld, conditioned or delayed. Such prohibition against assigning or subletting shall include any assignment or subletting by operation of law.

18.2 Any assignment or subletting without Property Owner's consent shall be void, and shall constitute a default hereunder which, at the option of Property Owner, shall result in the termination of this Lease or exercise of Property Owner's other remedies hereunder. Consent to any assignment or subletting shall not operate as a waiver of the necessity for consent to any subsequent assignment or subletting, and the terms of such consent shall be binding upon any person holding by, under, or through Tenant.

## 19. NOTICES

All notices, statements, demands, requests, consents, approvals, authorization, agreements, or designations under this Lease by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if sent by (i) certified mail, return receipt requested, postage prepaid, or (ii) established express courier service which provides for evidence of receipt, such as Federal Express, DHL, or UPS, postage prepaid, and addressed as follows:

To Tenant: PPF AMLI REDMOND WAY, LLC  
425 Pontius Avenue North, Suite 400  
Seattle, WA 98109  
Attn: Scott A. Koppelman

To Property Owner: CITY OF REDMOND  
Finance – Real Property, MS: 3NFN  
15670 NE 85<sup>th</sup> St.  
P.O. Box 97010  
Redmond, WA 98073-9710

## 20. LEINS AND ENCUMBRANCES

Tenant shall keep the Premises free and clear of any liens and encumbrances arising out of the use and occupancy of the Premises by Tenant. At Property Owner's request Tenant shall furnish Property Owner with written proof of payment of any item which, if not paid, would or might constitute the basis for such a lien on the Premises.

## 21. BREACH BY TENANT

In the event that the Tenant defaults in the performance of any of the terms, provisions, covenants and agreements on the Tenant's part to be kept, observed and performed, and such default is not corrected within thirty (30) days after the receipt of written notice thereof from Property Owner; then, in such event, Property Owner, at its option at any time thereafter, may terminate this Lease together with all of the estate, right and title thereby granted to or vested in the Tenant by giving ninety (90) days' notice in writing of such election, by certified mail addressed to the Tenant at the address specified in this Lease, and at the expiration of such ninety (90) day period, this Lease and all of the estate, right, title and interest thereby granted to or vested in the Tenant shall then cease and terminate, and Property Owner may re-enter said Premises using such force as may be required; provided, in the event, Property Owner exercises its remedies to terminate the Lease and

all cure periods have expired, within thirty (30) days of receipt of Property Owner's notice terminating the Lease, Tenant shall cease occupying the Premises. Notwithstanding the foregoing, except for the failure to pay rent or maintain insurance by Tenant, Property Owner's remedies shall not be exercised if within the initial thirty (30) day notice period Tenant cures the default, or if the default is curable, but cannot reasonably be cured within that time period, Tenant begins to cure such default within such time period and diligently pursues such action to completion. Notwithstanding such re-entry by Property Owner and anything to the contrary in this Lease, the liability of the Tenant for the rent provided for herein shall not be extinguished for the balance of the term of this Lease. Property Owner shall have the right to determine the existence of any default in performance or other breach or violation of the terms and conditions hereof on the part of the Tenant.

## 22. MISCELLANEOUS

22.1 The paragraph and section headings hereof are for convenience only and shall not be used to expand or interpret the meaning of any part of this Lease.

22.2 Time is of the essence hereof.

22.3 If any portion of this Lease shall be deemed void, illegal or unenforceable, the balance of this Lease shall not be affected thereby.

22.4 This Lease shall be interpreted under the laws of the State of Washington.

22.5 The parties agree that the Superior Court of the State of Washington for King County shall have sole jurisdiction over any question, claim, loss or injury arising hereunder.

22.6 Tenant acknowledges that except as expressly set forth in this Lease, neither Property Owner nor any other person has made any representation or warranty with respect to the Premises. Specifically, but not in limitation of the foregoing, no representation has been made or relied on with respect to the suitability of the Premises for the conduct of Tenant's business.

22.7 Property Owner does not by this Lease, in any way or for any purpose, become a partner or joint venturer of Tenant in the conduct of its business or otherwise.

22.8 Property Owner shall be excused for the period of any delay in the performance of any obligations hereunder when prevented from so doing by cause or causes beyond Property Owner's control, including labor disputes, civil commotion, war, governmental regulations or controls, fire or other casualty, inability to obtain any material or service, or acts of God.

22.9 This Lease and the exhibits, riders and/or addenda, if any, attached hereto, constitute the entire agreement between the parties. All exhibits, riders or addenda mentioned in this Lease are incorporated herein by reference. Any prior conversations or writings are merged herein and extinguished. No subsequent amendment to this Lease shall be binding upon Property Owner or Tenant unless reduced to writing and signed. Submission of this Lease for examination


does not constitute an option for the Premises and becomes effective as a lease only upon approval of this Lease by Property Owner, and execution and delivery of this Lease by Property Owner to Tenant. If any provision contained in a rider or addenda is inconsistent with a provision in the body of this Lease, the provision contained in said rider or addenda shall control. The captions and paragraph numbers appearing herein are inserted only as a matter of convenience and are not intended to define, limit, construe or describe the scope or intent of any paragraph.

22.10 This Lease may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signature pages may be detached from the counterparts and attached to a single copy of this Lease to physically form one document. To facilitate execution of this Lease, counterparts may be delivered via facsimile, electronic mail (including PDF or any electronic signature complying with the U.S. federal E-SIGN Act of 2000, e.g., [www.docusign.com](http://www.docusign.com)) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

[signatures on following page]

Property Owner:

**CITY OF REDMOND,  
a municipal corporation**

By:   
Its: Mayor  
Date: 1/3/24

Tenant:


**PPF AMLI REDMOND WAY, LLC,  
a Delaware limited liability company**

By: PPF AMLI Devco, LLC,  
a Delaware limited liability company,  
its sole Member

By: PPF AMLI Co-investment, LLC,  
a Delaware limited liability company,  
its Manager

By: AMLI Residential Properties, L.P.,  
a Delaware limited partnership,  
its Manager

By: AMLI Residential Partners LLC,  
a Delaware limited liability company,  
its General Partner

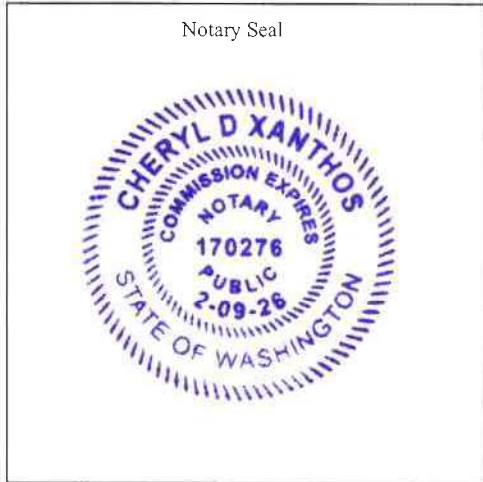
By:   
Name: Scott A. Koppelman  
Its: Authorized Person  
Date: 11/20, 2023

ACKNOWLEDGEMENT OF PROPERTY OWNER

STATE OF WASHINGTON )  
 ) §  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that Angela Birney  
signed this instrument on oath stated that ~~he~~/she/~~they~~ was authorized to execute the instrument  
and acknowledged it as the Mayor of the CITY OF  
REDMOND, a municipal corporation, to be the free and voluntary act of such party for the uses  
and purposes mentioned in the instrument.

DATED this 3 day of January, 2024



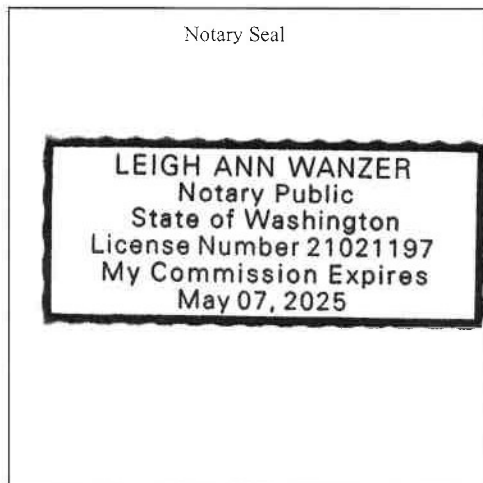
Notary Signature: Cheryl D Xanthos  
Print Name: Cheryl D Xanthos  
Notary Public in  
and for the State of: Washington  
Residing in: Redmond, Washington  
My Commission Expires: 2/9/26

ACKNOWLEDGEMENT OF TENANT

STATE OF WASHINGTON )  
 ) §  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that SCOTT A. KOPPELMAN signed this instrument on oath stated that he was authorized to execute the instrument and acknowledged it as the Authorized Person of AMLI Residential Partners LLC, a Delaware limited liability company, the General Partner of AMLI Residential Properties, L.P., a Delaware limited partnership, the Manager of PPF AMLI Co-investment, LLC, a Delaware limited liability company, the Manager of PPF AMLI Devco, LLC, a Delaware limited liability company, the sole Member of PPF AMLI REDMOND WAY, LLC, a Delaware limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this 20th day of November, 2023.



Notary Signature: [Signature]  
Print Name: Leigh Ann Wanzer  
Notary Public in  
and for the State of: Washington  
Residing in: 12402 Possession Lane, Edmonds, WA 98026  
My Commission Expires: May 07, 2025

EXHIBIT A  
TO  
LEASE AGREEMENT

Legal Description of Premises

Legal Description of Property Conveyed by Bargain and Sale Deed

**Parcel A:**

That portion of the Northwest quarter of the Northwest quarter of Section 12, Township 25 North, Range 5, East, W.M., in King County, Washington, described as follows:

Beginning at a stone monument at the Northeast corner of said subdivision;

Thence South 00°42'13" East 986.24 feet to a stone monument at the intersection of Railroad Avenue and Union Street;

Thence South 87°48'40" West 172.40 feet to the TRUE POINT OF BEGINNING;

Thence South 02° 17'16" East 249.34 feet to the Northeasterly margin of the Northern Pacific Railway Company's Right of Way;

Thence South 70°59'43" East along said margin 111.82 feet, to the West line of the East 60 feet of said subdivision;

Thence North 00°40'05" West parallel with the East line of said subdivision 289.87 feet to a point that bears North 87°48'40" East from the TRUE POINT OF BEGINNING;

Thence South 87°48'40" West 112.38 feet, to the TRUE POINT OF BEGINNING;

EXCEPT Railroad Avenue;

(ALSO KNOWN AS Parcel 2 of City of Redmond Lot Line Adjustment Number SS-85-34 recorded under Recording Number 8511140912).

**Parcel B:**

A non-exclusive easement for vehicular ingress and egress and parking as established by Reciprocal Access and Parking Easement recorded December 15, 1988, under Recording Number 8812150222.

King County Assessor Parcel Number 122505-9019



EXHIBIT B  
TO  
LEASE AGREEMENT

Reciprocal Access and Parking Easement

After Recording, Mail to:

Reaugh, Fischmiller & Oettinger  
3000 Western Building  
Seattle, WA 98121  
Attn: Dick Oettinger

RECIPROCAL ACCESS AND PARKING EASEMENTS

RECITALS

A. Parcel 1. Cleveland Street Investors, an Oregon joint venture, is the owner of the estate legally described as follows:

Parcel 1 of City of Redmond Lot Line Adjustment No. SS-85-34, recorded under Recording No. 8511140912, records of King County, Washington.

B. Parcel 2. Kelley Properties, a Washington general partnership is the owner of the estate legally described as follows:

Parcel 2 of City of Redmond Lot Line Adjustment No. SS-85-34, recorded under Recording No. 8511140912, records of King County, Washington.

C. Adjacent Parcel. Burlington Northern Railroad owns the property depicted on the attached Exhibit A which is adjacent to and south of Parcels 1 and 2 (hereafter "Burlington Northern Right of Way").

AGREEMENT

Now, therefore, for mutual consideration, the parties agree as follows:

51. Vehicular Access Easement. Each party hereby grants, conveys and establishes for the benefit of the other, including its tenants and licensees, a nonexclusive, reciprocal easement for vehicular ingress, egress and regress upon the driveways and parking areas constructed on each parcel. Each party, however, reserves the right to exercise reasonable control over such driveways and parking areas in a manner consistent with the rights of ingress, egress and regress granted herein so as to ensure to both parties, including their tenants and licensees, the quiet and useful enjoyment of their respective estates and the property rights relating thereto. Said driveways may be hereafter altered, modified or relocated by their owner as long as such owner continues to provide a right of way over a driveway to the parking areas described in § 2; provided that any such new right of way shall not defeat the benefits inuring to each party by this agreement including the access by emergency vehicles to each parcel.

RECEIVED THIS DAY

DEC 15 9 39 AM '88  
BY THE DIVISION OF  
RECORDS & ELECTIONS  
KING COUNTY

8812150222

Filed by Chicago Title Insurance Co.  
R.L.# 125856-6

88/12/15 #0222 R  
RECO F 9.00  
CREHEL 9.00  
55

8812150222

§2. Parking Easement. Each party hereby grants, conveys and establishes for the benefit of the other, including its tenants and licensees, a reciprocal easement for overflow customer parking along the southern most row of parking as may be from time to time constructed adjacent to the Burlington Northern right of way on each parcel.

§3. Limitation. Each party may restrict or exclude from its respective driveway and parking area, over-sized vehicles or other vehicles which cause damage to the premises, risk to persons, or inconvenience to the parties, including their tenants and licensees, whether such damage, risk or inconvenience has been or is caused by the condition or size of the vehicle, or its mode of operation.

§4. Effective Date. These reciprocal easements become effective upon recording.

§5. Construction and Maintenance of Easement Facilities. Each party shall maintain and keep in good repair its respective parking area and driveway located upon its own property and shall keep such areas and driveways striped, and free and clear of snow, ice, rubbish and obstructions; and shall provide adequate drainage, and or lighting thereon as may be required by municipal authorities.

§6. Eminent Domain. If either parcel, or any part thereof, is taken by any governmental agency in the exercise of its power of eminent domain, the award granted under such proceedings or any settlement in lieu thereof for the taking of such property shall be payable to the respective owners of Parcels 1 and 2 in proportion to the owner's fee ownership interest which was taken. If less than all of either parcel is taken, the easement rights granted hereunder shall continue to the extent feasible.

§7. Covenants Running with Land. The easements, covenants and agreements contained herein are intended to run with the land and to bind each party, its respective successors and assigns.

§8. Disputes. Any unresolved dispute between the parties pertaining to these reciprocal easements shall be submitted to the American Arbitration Association and shall be resolved thereby. In the event of any suit the prevailing party shall be awarded court costs and attorney's fees.

Owner of Parcel 1:

CLEVELAND STREET INVESTORS, an Oregon joint venture

By Thomas J. Bradden  
Thomas J. Bradden

Owner of Parcel 2:

KELLEY PROPERTIES, a  
Washington general part-  
nership

By Donald Kelley  
Donald Kelley,  
General Managing  
Partner

By Jon Rinker  
Jon Rinker

By Stephen P. Zimmer  
Stephen P. Zimmer

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

I certify that I know of or have satisfactory evidence that Thomas J. Braeden, Jon Rinker and Stephen P. Zimmer signed this instrument, on oath stated that they are the only three joint venturers comprising Cleveland Street Investors, an Oregon joint venture, and that they are authorized to execute the instrument and acknowledge it on behalf of Cleveland Street Investors as the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this 14<sup>th</sup> day of DECEMBER, 1988.



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

My appointment expires 3-2-59

8812150222

STATE OF WASHINGTON )  
 ) ss: Acknowledgment of  
COUNTY OF KING ) Donald Kelley

On this 14<sup>th</sup> day of December, 1988, personally appeared before me Donald Kelley, to me known to be the general managing partner of Kelley Properties, a Washington general partnership, that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said partnership, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute said instrument.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year first above written.



Scott Smouse  
NOTARY PUBLIC in and for the  
State of Washington, residing  
at Belleme

My appointment expires 3-2-89

8812150222

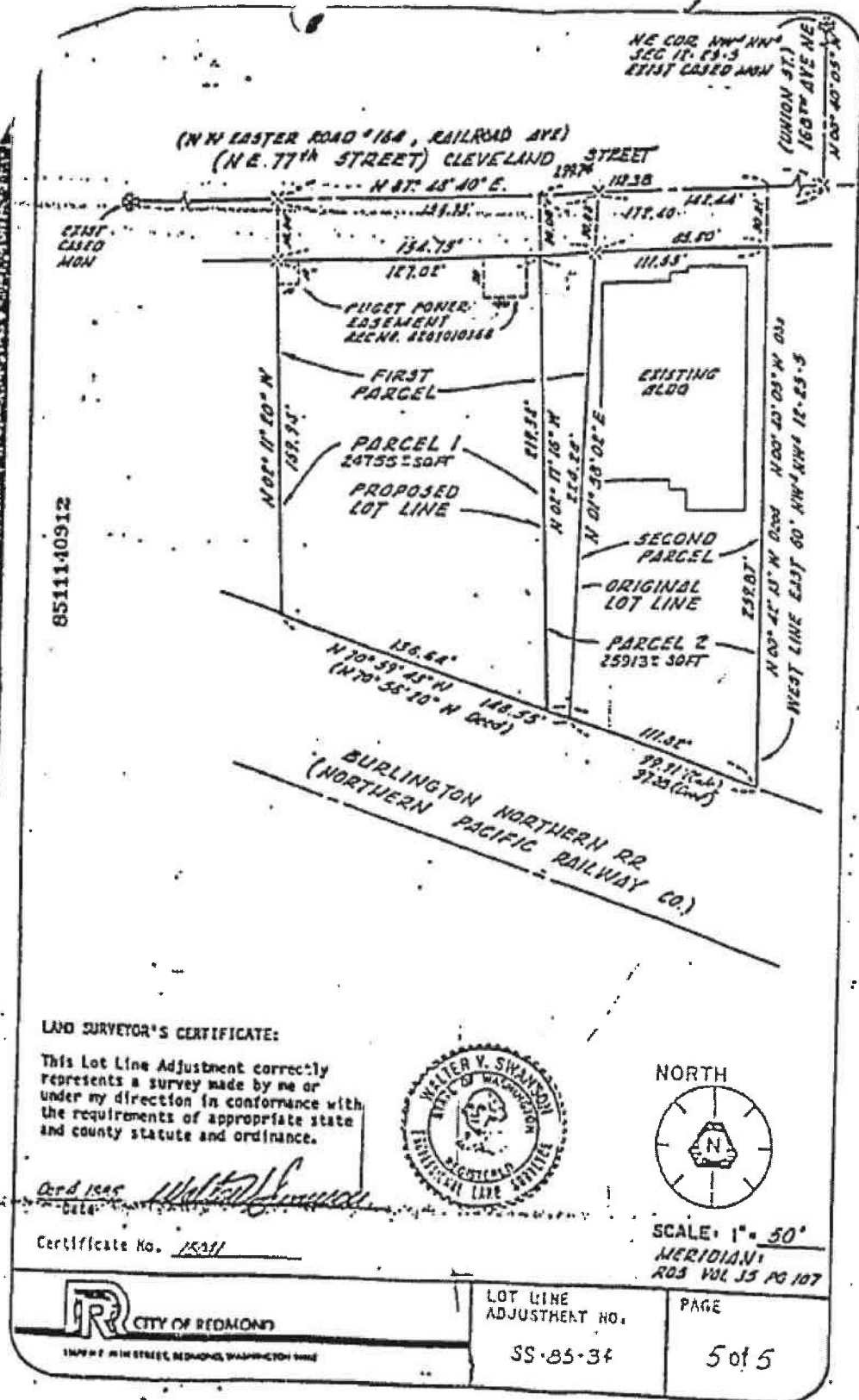


EXHIBIT A