

LEASE AGREEMENT
PART A - SIGNATURE FORM

PARTIES

THIS LEASE AGREEMENT, entered into by and between THE CITY OF SEATTLE, a municipal corporation of the State of Washington, as Lessor (hereinafter referred to as the "City"), and KING COUNTY, a municipal corporation organized under the laws of the State of Washington (hereinafter referred to as "Lessee").

PREMISES

The City hereby leases to the Lessee and the Lessee hereby leases from the City space in the building commonly known as the South East Seattle Health Clinic, located at 4400 - 37th Avenue South, Seattle, Washington (hereinafter referred to as the "Premises") and legally described as follows:

lots 14 through 26, inclusive, Block 21, Squire's Lakeside Addition to The City of Seattle, according to the plat thereof recorded in Volume 11 of Plats, Page 50, in King County Washington;

which consists of approximately 19,666 square feet, or 70% of the undivided building. Said 70% consists of shared common areas and specifically defined areas for the exclusive use of King County, as identified on Attachment A.

USE/PURPOSE

The building shall be used to provide office space and related facilities for the Seattle-King County Department of Public Health in order to improve access to health services for the local community.

TERM

The term of this lease shall begin July 1, 1990 and expire June 30, 1993 unless terminated or otherwise modified pursuant to the provisions hereof.

RENT

In consideration of this lease, the Lessee shall pay to the City as rent the prevailing Schedule II rates as specified in the City's annual budget. The current rate is \$3.95 per square foot per year or \$6,473.39 monthly through June 30, 1991. ¹⁹⁹⁴

^{5.05} \$ 8,276.10 The rate for July 1, ¹⁹⁹⁴ 1991 through June 30, ¹⁹⁹⁵ 1992 shall be the Schedule II rates as specified in the City's 1991 annual budget.

The rate for July 1, ¹⁹⁹⁵ 1992 through June 1993 shall be the Schedule II rates as specified in the City's 1992 annual budget.

INSURANCE

Lessee shall indemnify the City as specified in Part B of this lease. Lessee may at Lessee's option substitute self insurance for coverage required under Part B of this lease.

UTILITIES AND SERVICES

As outlined in Part B, Section 4, Utilities, the Lessee shall provide all utilities and services.

AGREEMENT CONTENTS

This lease consists of this Part A - Signature Form, plus Part B - General Terms and Conditions, and Attachment, all of which, by this reference, are incorporated herein, and embody the entire agreement of the parties hereto. There are no other understandings or agreements, written or oral, between the parties relating to the subject matter hereof.

EFFECTUATION OF AGREEMENT

In order to be effective, this lease must be (1) signed by an authorized representative of the Lessee and returned to the City at the address set forth below, and (2) signed by the Director of Administrative Services.

144 - lease - 1990 -
KC

SPECIAL
CONDITIONS

Notwithstanding any contrary provision in Part B, Paragraph 6, Subparagraph (a) General Conditions, the Lessee shall be allowed to maintain those items on the premises that are required for it to accomplish its function as a Health Department even though those items may be considered dangerous to life and/or limb, may result in the emission of objectionable noises or odors, or may increase the rate of fire insurance on the premises.

ESCAPE CLAUSE: Lessee may terminate this lease upon sixty days' prior written notice to Lessor, if such termination is due to permanent or indefinite withdrawal of funding for the activities or programs supported by this lease.

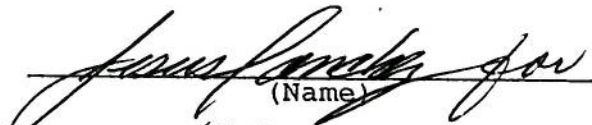
IN WITNESS WHEREOF, the parties hereto have affixed their signature below:

THE CITY OF SEATTLE, LESSOR

KING COUNTY, LESSEE



Director of Admin. Services



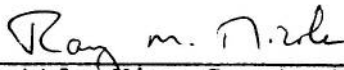
(Name)
Tim Hill
KING County EXECUTIVE

(Title)

(Name)

(Title)

Approved:



Seattle-King County Department
of Public Health

Approved:


Deputy Prosecuting Attorney

City's address for all
communications:

Dept. of Admin. Services
Property Management
Alaska Building, 14th Floor
618 Second Avenue
Seattle, Washington 98104

Lessee's address for all
communications:

King County Real Property Div.
Admin. Bldg. - Room 500 A
500 Fifth Avenue
Seattle, Washington 98104

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this day personally appeared before me Jesus Sanchez
to me known to be the Authorized representative of King County,
Washington, the person who signed the above and foregoing instrument
for King County for the uses and purposes therein stated and
acknowledged to me that he signed the same as the free and voluntary
act and deed of King County and that he was authorized to so sign.

Given under my hand and official seal this 8th day of January, 1991.

Dandra V. Cline
Notary Public in and for the
State of Washington, residing at
Redmond

My appointment expires 4/15/94

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 9 day of January, 1991, before me
personally appeared James F. Ritch, to me personally known to be the
Director of Administrative Services of The City of Seattle, a
municipal corporation, that executed the foregoing Lease and
acknowledged to me that he signed the same as the free and voluntary
act and deed of said municipal corporation and on oath stated that
he was authorized to execute said Lease.

WITNESS my hand and official seal the day and year in this
certificate first above written.

Traci A. Meyer
Notary Public in and for the
State of Washington, residing at
Seattle

My appointment expires 5/29/91

LEASE AGREEMENT

PART B - GENERAL TERMS AND CONDITIONS

1. LIMITATION ON USE/PURPOSE. Notwithstanding any other provision herein, the Lessee shall not enter into any sub-lease of the premises or any portion thereof or any assignment of any interest in this agreement, whether long or short term in nature, or engage in any activity with respect to or on the premises other than the express use(s) and purpose(s) stipulated herein, without obtaining the prior explicit written authorization therefor from the City.

2. POSSESSION. In the event of the inability of the City to deliver possession of the premises, or any portion thereof, at the time of the commencement of the term of this lease, neither the City nor any of the City's officers, employees, or 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, the Lessee shall not be liable for any rent until such time as the City can deliver possession. If the Lessee shall take possession of the premises prior to the commencement date of this lease, the Lessee and the City agree to be bound by all of the provisions and obligations hereunder during such prior period, including payment of rent at the rate stated herein prorated on a daily basis.

3. LICENSES AND TAXES. The Lessee shall be liable for, and shall pay throughout the term of this lease, all applicable license and excise fees and occupation taxes covering the business conducted on the premises, and all applicable taxes on personal property of the Lessee on the premises and any applicable excise or other taxes on the leasehold created by this Agreement. The Lessee shall also pay unemployment insurance, social security, workmen's compensation, applicable to its business, and otherwise fulfill all fiscal obligations imposed by law or contract.

4. UTILITIES AND SERVICES. The Lessee, at no cost to the City, shall provide, or shall otherwise pay for, when due, all costs for providing, all utilities and other services on or to the premises including but not limited to electricity, gas, water, telephone, sewer, garbage, heating, janitorial, and security, and grounds keeping, and shall also pay all charges for utility installation and modifications thereto occasioned by the Lessee's requirements, except as otherwise agreed in writing. The Lessee shall not be entitled to an offset, reduction or return of rental or damages as a result of any interruption or failure of said services.

5. LIABILITY.

(a) Indemnification: The Lessee and the City agree that as to all third party claims, actions, or causes of actions of whatsoever kind or nature made or asserted against either or both of them and arising out of the use or operation of the leased premises, each will be liable to the other only to the extent of each party's proportional or comparative fault or causation and shall indemnify the other for such amount. As to all such third party claims, actions, or causes of action which are a consequence of the sole fault, negligence or causation of a party to this lease agreement, such party shall have the duty to defend, save and hold the other harmless and upon failure to do so shall pay reasonable fees, costs and expenses incurred by the other party to this lease agreement in defense of any such third party claims or actions.

(b) Waiver: To the extent that it is lawful to do so,

(1) The City hereby expressly waives and releases any cause of action or right of recovery which the City may have hereafter against the Lessee for any loss or damage to the leased premises, or to the contents thereof belonging to either, caused by fire, explosion or any other risk covered by insurance and,

(2) The City shall obtain a waiver from any insurance carrier with which Lessor carries fire, explosion or any other risk coverage insuring the building and other improvements releasing its subrogation rights against Lessee.

(c) Insurance. Lessee shall maintain during the term of this agreement Comprehensive General Liability insurance with limits of liability not less than:

\$1,000,000 each occurrence/aggregate, Bodily Injury
\$1,000,000 each occurrence/aggregate, Property Damage

Such insurance shall name the City and the Health Department as additional insured, and must stipulate that the coverages provided shall not be terminated, reduced, or otherwise changed in any respect without providing at least thirty (30) days' prior written notice to The City of Seattle, Attention: Director of Administrative Services. The Lessee shall provide to the Director of Administrative Services, within sixty (60) days of the signing of the lease a duplicate of the policy as evidence of the insurance protection afforded. The cost of the above insurance will be paid for with funds provided the Lessee by the Seattle King County Health Department.

(d) Adjustments of Claims: The Lessee shall provide for the prompt and efficient handling of all claims for bodily injury, property damage or theft arising out of the activities of the Lessee under this lease. The Lessee agrees that all such claims, whether processed by the Lessee either directly or by means of an agent, will be handled by a person with a permanent office in the Seattle area.

6. USE AND CARE OF PREMISES.

(a) General Condition: The leased portion of the premises shall at all times be kept in a neat, clean, safe and sanitary condition, and kept and used in accordance with the laws of the State of Washington and Charter and ordinances of The City of Seattle, and in accordance with all authorized rules and regulations of the Health Officer, Fire Marshal, Building Inspector and other proper officers of The City of Seattle at the sole cost and expense of the Lessee. The Lessee shall not permit any waste, damage, or injury to the premises; use or permit on said premises anything that will increase the rate of fire insurance thereon; maintain anything on the premises that may be dangerous to life or limb; overload the floors; permit any objectionable noise or odor to escape or to be emitted from said premises; permit anything to be done upon said premises that in any way will tend to create a nuisance or, in the event of multiple occupancy, to disturb any other tenants of the building; or to use or permit the use of said premises for lodging or sleeping purposes.

(b) Maintenance-Repairs: The premises has been inspected by both parties and is accepted by Lessee in their existing condition as of the commencement date of this lease, without reservation except for latent defects or faulty construction of the premises not discoverable by inspection at the time of taking possession. All normal repairs to roof, walls and foundations, windows, existing utility connections to and from the premises and major electrical, plumbing, elevator and heating systems necessary to maintain premises in a tenantable condition shall be done by or under the direction of the City and at the City's expense, except those caused by the negligence or acts of the Lessee, or the Lessee's officers, employees, agents or invitees, which repairs shall be made at the sole expense of the Lessee.

(c) Alterations: The Lessee shall not make, or cause to be made, any alteration, addition or improvement in said premises without first obtaining the written consent of the City to such work. All alterations, additions and improvements which shall be made, shall be at the sole cost and expense of the Lessee unless otherwise agreed in writing, and shall become the property of the City, and shall remain in and be surrendered with the premises as a part thereof at the termination of this lease, without disturbance, molestation or injury, unless otherwise mutually agreed in writing in said consent agreement. The City reserves an unqualified right to make alterations to the premises or to the building in which the premises are situated (1) where conditions deemed by the Director of Administrative Services to constitute an emergency, exist, or (2) in order to correct code-deficiencies. The City also reserves the right to make general alterations to the premises or to the building

in which the premises are situated provided said general alterations do not unreasonably interfere with the ordinary operation of the premises by the Lessee.

(d) Access: The City reserves for itself, its officers, employees, agents and contractors, free access to said premises at all reasonable times for the purposes of inspecting, cleaning, or making repairs, additions or alterations to the premises or any other property owned by or under the control of City, but this right shall not be construed as an agreement on the part of the City to make said inspections, clean or make repairs, additions or alterations. The Lessee shall have reasonable access to other property of the City where necessary to provide utility services to the premises; all of the Lessee's work on such other City property shall be at the Lessee's sole expense.

(e) Signs: The Lessee shall not display, inscribe, paint or affix to any part of the premises any permanent sign except such as shall have been approved in writing by the City prior to such placement.

(f) Keys: In the event that the Lessee requests a change in locks, said change shall be approved by the City and at the sole expense of the Lessee. If a lock change is approved, Lessee shall provide the City with one (1) key for each lock changed.

(g) Equipment, Personal Property: Special purpose equipment and all major appliances including, but not limited to, stoves and refrigerators are the responsibility of the Lessee to maintain and repair.

7. NOTICES. All notices to be given by either of the parties hereto to the other party, shall be in writing and may either be delivered personally or may be deposited in the United States Mail, postage prepaid, as either certified or regular mail, addressed as specified in Part A hereof, or to such other respective addresses as either party may from time to time designate in writing. Notices sent by mail shall be deemed to have been given when properly mailed; the postmark affixed by the United States Post Office shall be conclusive evidence of the date of mailing.

8. AMENDMENTS. The parties hereto expressly reserve the right to renegotiate the provisions hereof, including the term of this lease, from time to time as may be necessary and to amend this lease accordingly; Provided, however, that no alteration or modification of the terms or conditions hereof shall be valid and binding unless made in writing and signed by the authorized representatives of the parties hereto.

9. WAIVER OF DEFAULT. The City does not waive full compliance with the terms and conditions of this lease by acceptance of rent. No waiver of default by either party of any of the terms, covenants and conditions hereof to be performed, kept and observed by the other party shall be construed as, or operate as, a waiver of any subsequent default of any of the terms, covenants and conditions herein contained, to be performed, kept and observed by the other party.

10. SURRENDER OF PREMISES. At the expiration or termination of this lease, including any extensions thereof, whichever is earlier, the Lessee shall quit and surrender said premises and all keys thereto, without notice and in as good condition as received at commencement of the term, ordinary wear and tear, damage or destruction by fire or other casualty or circumstances uncontrollable by the Lessee excepted and shall have removed all furniture, equipment, supplies and other materials owned and controlled by Lessee; Provided, that if alterations, additions or improvements have been made to the premises as provided in subparagraph 6 (c), the Lessee shall not be required to restore the premises to the condition in which they were prior to such alterations, additions or improvements having been made unless otherwise mutually agreed in writing in the initiating consent agreement.

11. ADJUDICATION. This lease shall be construed under all of the applicable laws, statutes, ordinances, rules and regulations of the United States, the State of Washington, and The City of Seattle. In the case of a dispute between the parties, jurisdiction over such dispute shall be with the Superior Court of King County, Washington.

12. BINDING EFFECT. This lease shall be binding upon the successors, assigns and all other parties legally empowered with signatory rights of any or all of the parties hereto.

13. INVALIDITY OF PROVISIONS. Should any term, provision, condition or other portion of this lease be held to be inoperative, invalid or void, the same shall not affect any other term, provision, condition or other portion of this lease, and the remainder of this lease shall be effective as if such term, provision, condition or portion had not been contained herein.

14. PERMITS. Lessee shall obtain any and all building permits, change of use permits and/or certifications of occupancy from The City of Seattle as may be required by law prior to occupying the premises. Copies of all such permits and/or certificates must be submitted to the City at:




Department of Administrative Services
Property Management
Alaska Building
618 2nd Avenue - 14th Floor
Seattle, Washington 98104

The cost of all fees connected with acquiring any permits and/or certificates shall be paid by Lessee. The cost of any building or site work required by the City of Seattle as a condition for issuance of permits and/or certificates shall be at the sole expense of Lessee.

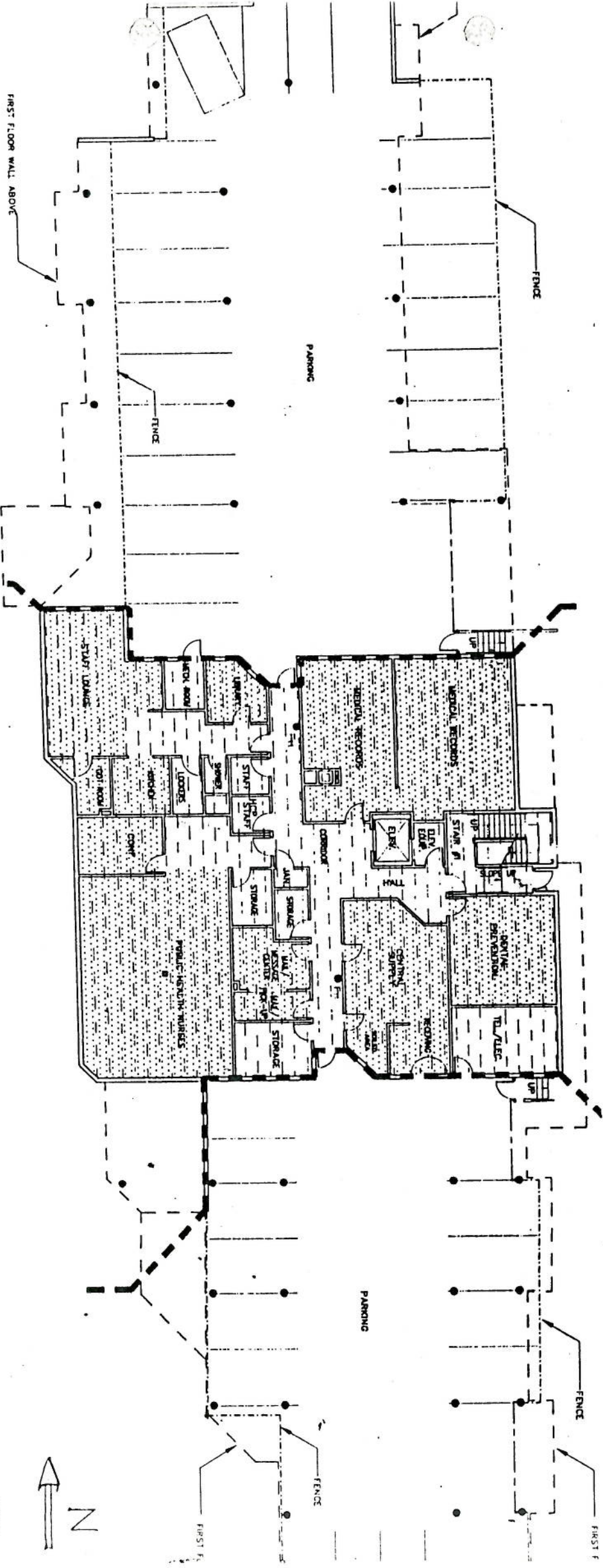
Occupancy shall be in accordance with the provisions and limitations of the building use permit as issued by The City of Seattle. The Lessee shall assume full responsibility for any or all costs or liabilities resulting from compliance or non-compliance with such provisions and limitations.

ref: FacSvcs Lease #4 (SESHC.PB)

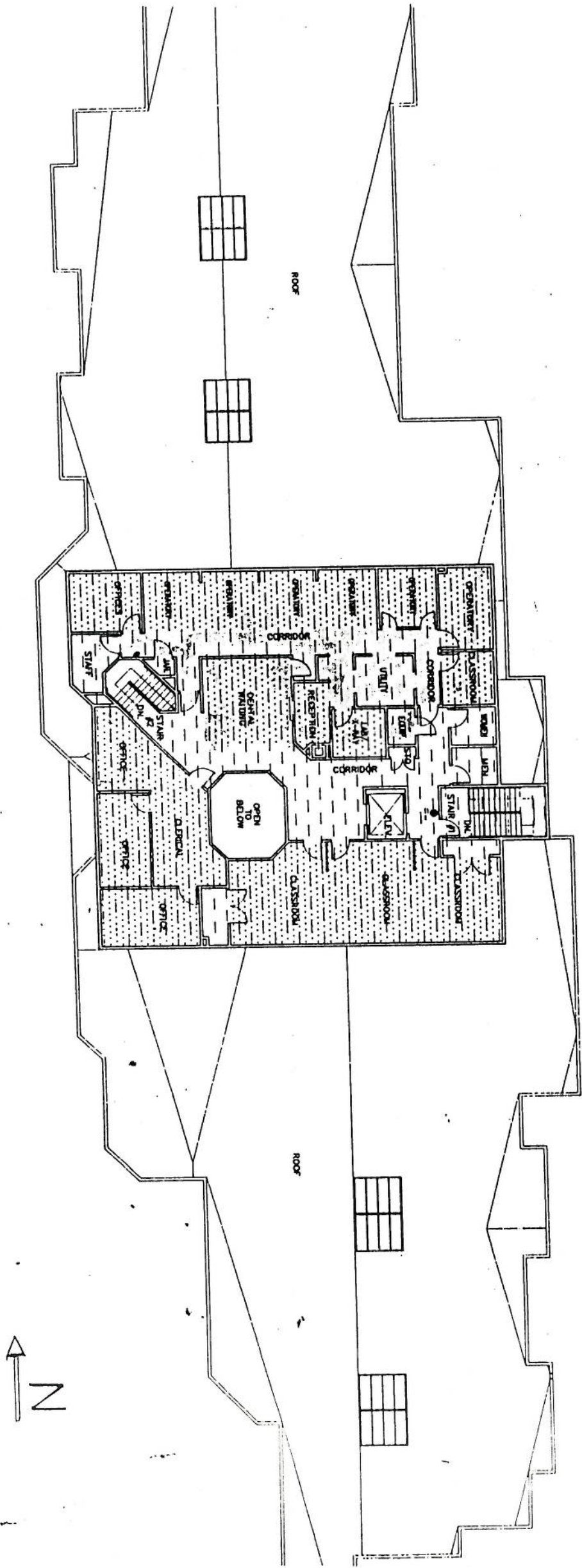
EXHIBIT D

-  KING COUNTY HEALTH
-  PUGET SOUND HEALTH CENTERS
-  COMMON AREAS

GROUND FLOOR PLAN



SECOND FLOOR PLAN



MUTUAL AND OFFSETTING BENEFIT

LEASE AGREEMENT

PART A - SIGNATURE FORM

144-lease-1990
PSNHC

PARTIES

THIS LEASE AGREEMENT is entered into by and between THE CITY OF SEATTLE, a municipal corporation of the State of Washington, as Lessor, (hereinafter referred to as the "City") and Puget Sound Neighborhood Health Center (PSNHC) a non-profit 501 (c) (3) corporation organized under the laws of Washington and authorized to do business in the State of Washington, as Lessee (hereinafter referred to as "Lessee").

PREMISES

The City hereby leases to the Lessee and the Lessee hereby leases from the City 30% of the structure located on the following property:

Lots 14 through 26, inclusive, Block 21, Squire's Lakeside Addition to The City of Seattle, according to the plat thereof recorded in Volume 11 of Plats, Page 50, in King County Washington;

the street address for which is 4400 37th Avenue South, Seattle, Washington. Said 30% of structure hereinafter referred to as the "Premises" is approximately 8,428 square feet and consists of shared common areas and specifically defined areas of the structure for the exclusive use of PSNHC, as identified on Attachment D - Schematic.

USE/PURPOSE

The Premises shall be used and occupied only for the following purpose(s):

To provide quality medical care to low income persons.

TERM

The term of this lease begins July 1, 1990, and expires June 30, 1993, unless terminated earlier pursuant to the terms and conditions hereof.

RENT

In consideration for this Lease, the Lessee shall pay to the City or provide for the City's benefit, for the use and occupancy of the Premises, the following monthly rent: Seven Thousand Twenty Five and 00/100 Dollars (\$7,025), of which a portion, as further described in Part B, Subsection 8.A, hereof, shall be in the form of legal tender of the United States of America or negotiable instruments payable in the same and acceptable to the Director of Administrative Services. Any non-monetary portion of the rent shall be in the form of in-kind services that shall be agreed upon prior to the providing of the same. The services to be provided as a portion of any month's rent shall be described in the annual supplement(s) comprising Part C, hereof.

The premises "fair market improvements value" computed at 30% of the total value of the structure is Nine Hundred Thirty Thousand and 00/100 Dollars (\$930,000), which figure shall be used in the computation of the minimum monetary portion of the rent payable during the first year of the term hereof, and following the annual adjustment provided for in Part B, Subsection 8.C, hereof, for the succeeding years of the term of this Lease.

Under no circumstances shall in-kind services in excess of the value the Lessee becomes obligated to provide in any particular year be usable as an offset to the minimum monetary rental due and payable for any year of the Lease term, or as an offset to any services to be provided by the Lessee in any succeeding year of the Lease term.

INSURANCE

The Lessee shall secure and maintain insurance to protect the City from liability as more fully described in Part B, Subsection 4 of this Lease, which insurance shall provide the following minimum coverage:

\$1,000,000.00 Bodily injury, per person.
\$1,000,000.00 Bodily injury, per occurrence.
\$1,000,000.00 Property damage, per occurrence.

UTILITIES

As provided in Part B. Section 3. Utilities, the Lessee, at its sole expense, shall provide all utilities and other services.

The City shall not be responsible for any costs incurred in modifying the systems therefor that are occasioned by the Lessee's requirements.

AGREEMENT CONTENTS

This Lease consists of this Part A - Signature Form, plus Part B - General Terms and Conditions, the annual supplements hereto that comprise Part C - Description of M.O.B. Lessee's Services in Lieu of Cash Rental, and Attachment D - Schematic, all of which, by this reference, are incorporated herein. This Lease embodies the entire agreement of the parties hereto. There are no other understandings or agreements, written or oral, between the parties relating to the subject matter hereof.

EFFECTUATION OF AGREEMENT

In order to be effective, this Lease must be (1) signed by an authorized representative of the Lessee and returned to the City at the address set forth below, accompanied by any required evidence of insurance, and (2) signed by the Mayor pursuant to ordinance authority.

IN WITNESS WHEREOF, the parties hereto have affixed their signatures below:

THE CITY OF SEATTLE
LESSOR

PUGET SOUND NEIGHBORHOOD HEALTH
CENTER (PSNHC)
LESSEE

By *Norman B. Rice*
Mayor

By *Julie Bodin Schmidt*
(Name)

ATTEST:

Executive Director
(Title)

By *Norward J. Brooks*
City Comptroller

By _____
(Name)

(Title)

City's address for all
communications:

Lessee's address for all
communications:

Property Management Section
Dept. of Administrative Services
Alaska Building - 14th Floor
618 Second Avenue
Seattle, Washington 98104
(until otherwise notified)

Puget Sound Neighborhood
Health Center
905 Spruce Street, Suite 201
Seattle, Washington 98104

ref: FacSvcs MOB #1 (PSNHC.MOB)

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that NORMAN B. RICE and NORWARD J. BROOKS signed this instrument, on oath stated that they were authorized to execute this instrument and acknowledged it as the MAYOR and CITY COMPTROLLER, respectively, of the CITY OF SEATTLE to be the free and voluntary act of such part for the uses and purposes mentioned in the instrument.

Dated: 29th, November 1990

Virginia E. McHenry
Notary Public in and for the
State of Washington, residing at
Seattle

My appointment expires 3/15/94

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 13 day of December, 19 90, before me personally, appeared Julie Boden Schmidt
and ----- to me known to be
Executive Director and -----
of the corporation that executed the within and foregoing
instrument, and acknowledged said instrument to be the free and
voluntary act and deed of said corporation, for the uses and
purposes therein mentioned, and on oath stated that they were
authorized to execute said instrument and that the seal affixed is
the corporate seal of said corporation.

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

Nancy J. Strong
Notary Public in and for the
State of Washington, residing at
Seattle

My appointment expires 12/26/92

MUTUAL AND OFFSETTING BENEFIT

LEASE AGREEMENT

PART B - GENERAL TERMS AND CONDITIONS

1. LIMITATION ON USE/PURPOSE

Notwithstanding any other provision herein, the Lessee shall not enter into any sublease of the Premises or any portion thereof or any assignment of any interest in this Agreement, whether long or short term in nature, or engage in any activity herein, without obtaining the prior explicit written authorization therefor from the City.

2. POSSESSION

In the event of the inability of the City to deliver possession of the Premises, or any portion thereof, at the time of the commencement of the term of this Lease, neither the City nor any of the City's officers, employees, or 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, the Lessee shall not be liable for any rent until such time as the City can deliver possession.

3. UTILITIES

The Lessee, at the Lessee's sole expense, shall provide or shall otherwise pay for, when due, all costs for providing all utilities and other services on or to the Premises including but not limited to electricity, gas, water, telephone, sewer, garbage, heating, janitorial, security, and grounds keeping, and shall also pay all charges for utility installation and modifications thereto occasioned by the Lessee's requirements. The City shall not be liable for any injury, loss or damage caused by or resulting from any interruption or failure of said services due to any causes whatsoever except the City's negligence. The Lessee shall not be entitled to an offset, reduction, or return of rental as a result of any interruption or failure of said services.

4. LIABILITY

A. Indemnity: The Lessee shall indemnify and hold the City harmless from any and all losses, claims, actions, damages and expenses arising out of or resulting from any occurrence in or on the Premises. In the event that any suit based upon such losses, claims, actions, damages, or expenses is brought against the City, the Lessee, upon notice of the commencement thereof, shall defend the same at its sole cost and expense; and if final judgment be adverse to the City, or the City and the Lessee jointly, the Lessee shall promptly satisfy the same. The liability described in this subsection shall not be diminished by the fact that, if it be a fact, that any such death, injury, damage, loss, cost or expense may have been contributed to, or may be alleged to have been contributed to, in part, by an act or omission of the City, its officer, employees or agent; provided, that nothing contained in this subsection shall be construed as requiring the Lessee to indemnify the City against liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the sole act of omission of the City, its employees, officers, or agents.

B. Insurance: The Lessee shall secure and maintain during the full term of this Agreement, at no expense to the City, insurance by one or more companies authorized to do business in the State of Washington, as follows:

(1) A primary policy of general occurrence-based comprehensive liability insurance, under which

(a) the City shall be named as an additional insured in

the following manner:

"The City of Seattle is an additional insured for all coverage provided by this policy of insurance and shall be fully and completely protected by this policy for any claim, suit, injury death, damage or loss of any sort sustained by any person, organization or corporation in connection with activity upon or use or occupancy of the Premises, as well as any activity performed by the principal insured therein.

"The coverages provided by this policy to the City, or any other name insured, shall not be terminated, reduced or otherwise changed in any respect without providing written notice thereof to The City of Seattle, Department of Administrative Services, Property management Section, Alaska Building, 618 Second Avenue - 14th Floor, Seattle, Washington, 98104, at least thirty (30) days prior to the effective date thereof."

(b) Liability limits shall be at least the amounts set forth in Part A of the Lease; provided, that in the event the Director of Administrative Services deems such insurance to be inadequate to fully protect the Lessee and the City, the Lessee shall increase said liability limits to such amounts as the Director of Administrative Services shall deem reasonably adequate to provide said protection, which increase shall be completed within sixty (60) days after the date of notice that the Lessee's insurance is deemed to be adequate.

(c) Coverage shall include, but not limited to, the following types (described in insurance industry terminology):

- (1) Premises Operations Liability;
- (2) Blanket Contractual Liability;
- (3) Broad Form Property Damage;
- (4) Independent Contractor;
- (5) Automobile Liability for owned, leased, hired or non-owned, if there will be any use of vehicles on the Premises by or on behalf of the Lessee;
- (6) Products and/or Completed Operations;
- (7) Personal Injury, Coverages A, B, and C (Exclusion "C" to be removed).

C. Contractor's Insurance and Bond: The Lessee shall require each contractor used by the Lessee to perform any demolition or construction work in connection with any improvement, alteration, or addition to be made to the Premises, to secure and maintain, at no cost to the City, the following:

(1) A contract bond or performance bond payable to the Lessee and the City in the full and just sum of the total amount of the contract, conditioned that all the provisions of the contract shall be faithfully performed by the contractor, or the surety if so required, and indemnifying the Lessee and the City against any direct or indirect damages that shall be suffered or claimed for injuries to persons or property during the carrying out of the work of the contract, and conditioned as required by law for the payment of all laborers, mechanics, subcontractors and materialmen, and all persons who shall supply such person or persons or subcontractors with provisions or supplies for the carrying on of such work.

(2) A policy of primary comprehensive general liability and automobile liability insurance with \$1,000,000 Combined Single Limits per occurrence and annual aggregate, providing the following coverages:

- Premises/Operations Liability (N & C);

- Owners and Contractors Protective Liability;
- Products and Completed Operations Liability;
- Blanket Contractual Liability;
- Broad Form Property Damage Liability;
- Personal Injury, including coverages A, B, and C;
- Stop Gap or Employers Contingent Liability;
- Explosion, collapse, underground damage (referred to as "X, C, U");
- Automobile Liability, including coverage for owned, non-owned, leased or hired vehicles.

and under which insurance The City of Seattle shall be named as additional insured in the same manner as that specified in Subsection 4.B(2) (a), hereof.

D. Evidence of Insurance: A copy of such policy(ies) and all endorsements thereto or other evidence to the reasonable satisfaction of the Director or Administrative Services that the Lessee has secured and is maintaining insurance as required by this section shall be delivered to the Property Management Section at the address specified in Part A, hereof, on or before the effective date of the Lease, and shall be delivered thereafter with five (5) City business days after the Lessee's receipt of a written request therefor, for review by the City Attorney and the City's Risk Manager, and filing with the City Clerk. Such evidence shall be in the form of a certified copy of the policy with a certified endorsement naming the City as additional insured or an endorsement as a named additional insured, which endorsement must contain the policy number, expiration date and authorized signature of the insurance company representative, or an "ACORD" form of a Certificate of Insurance. In the event that the "ACORD" form of a Certificate of Insurance is submitted, it will be returned for correction if it does not comply with the following:

The wording at top of form: "This certificate is issued as a matter of information only and confers no rights upon the certificate holder." - Shall be deleted in its entirety.

The wording at bottom of form: "Should any of the above described policies be cancelled before the expiration date thereof, the issuing company will endeavor to mail thirty (30) days written notice to the below named certificate holder, but failure to mail such notice shall impose not obligation or liability of any kind upon the company." - Shall be changed to read - "Should any of the above described policies be cancelled, reduced as to coverage, or otherwise changed before the expiration date thereof, the issuing company will provide written notice of such action to the below name certificate holder/City of Seattle at least thirty (30) days prior to the effective date of such change or cancellation."

E. Assumption of Risk: The placement and storage of personal property on said Premises shall be the responsibility, and at the sole risk, of the Lessee.

F. Adjustments of Claims: The Lessee shall provide for the prompt and efficient handling of all claims for bodily injury, property damage or theft arising out of the activities of the Lessee under this Lease.

G. Termination upon Lessee's Failure to Comply with Requirements: Notwithstanding any provision herein to the contrary, the failure of the Lessee to comply with the provisions of this section shall subject this Lease to immediate termination without notice and without recourse by any person in order to protect the public interest.

5. USES AND CARE OF PREMISES

A. General Condition: The Premises shall at all times be kept in a neat, clean, safe and sanitary condition, and kept and used in accordance with the laws of the State of Washington and Charter and ordinances of The City of Seattle, and in accordance with all authorized rules and regulations of the Health Officer, Fire Marshal, Director of Construction and Land Use and other appropriate officer of The City of Seattle at the sole cost and expense of the Lessee. The Lessee shall not permit any waste, damage, or injury to the Premises; use or permit on said Premises anything that will increase the rate of fire insurance thereon beyond the rating classification; maintain anything on the Premises that may be dangerous to life or limb; overload the floors; permit any objectionable noise or odor to escape or to be emitted from said Premises; permit anything to be done upon said Premises that in any way will tend to create a nuisance or, in the event of multiple occupancy, to disturb any other tenants of the building, or to use or permit the use of said Premises for lodging or sleeping purposes.

B. Maintenance-Repairs: The Premises have been inspected by both parties and are accepted by Lessee in their existing condition as of the commencement date of this Lease, without reservation except for latent defects or faulty construction of the Premises not discoverable by inspection at the time taking possession and except for those improvements to be accomplished by the City as described in the Project Manual and accompanying construction drawings, which by this reference are incorporated herein. All normal repairs to roof, walls and foundations, windows, existing utility connections to and from the Premises and major electrical, plumbing, and heating systems necessary to maintain the Premises in a tenantable condition shall be done by or under the direction of the City and at the City's expense, except repair work necessitated by an act or omission of the Lessee, or any of the Lessee's officers, employees, agents or invitees, which repairs shall be made at the sole expense of the Lessee. All other maintenance and repairs to the Premises shall be the responsibility and at the sole expense of the Lessee; provided, that such maintenance and repairs shall be subject to the prior written approval of and shall be undertaken at the direction of the City.

C. Alterations:

(1) The Lessee shall not make, or cause to be made, any alteration, addition or improvement in said Premises without first obtaining the written consent of the Director of Administrative Services for such work. All alteration, additions and improvements made shall be at the sole cost and expense of the Lessee, and shall become the property of the City, and unless otherwise agreed in writing by the Director of Administrative Services, shall remain in and be surrendered with the Premises as a part thereof at the expiration or termination of this Lease, without disturbance, molestation or injury.

(2) The City reserves an unqualified right to make alterations to the Premises or to the building in which the Premises are situated (a) where conditions deemed by the Director of Administrative Services to constitute an emergency exist, or (b) in order to correct Code-deficiencies. The City also reserves the right to make general alterations to the Premises or to the building in which the Premises are situated where such general alterations will not unreasonably interfere with the ordinary operation of the Premises by the Lessee.

D. Access: The City reserves for itself, its officers, employees, agents and contractors, free access to said Premises at all reasonable times for the purposes of inspecting, cleaning, or making repairs, additions or alterations to the Premises or any other property owned by or under the control of the City, but this right shall not be construed as an agreement on the part of the City to make said inspections, clean or make repairs, additions or alterations. The Lessee shall have reasonable access to other property of the City where necessary to provide utility services to

or make repairs, alteration, additions, or improvements to the Premises; all of the Lessee's work on such other City property shall be at the Lessee's sole expense.

E. Signs: The Lessee shall not display, inscribe, paint or affix to any part of the Premises any sign except such as shall have been approved in writing by the Director of Administrative Services prior to such placement. The City shall have the right to place and maintain "For Rent" signs in conspicuous places on said Premises and to show the Premises to prospective tenants during the thirty (30) days prior to the expiration of this lease.

F. Keys: Any change in locks must be requested, in writing, by the Lessee and approved by the Director or Administrative Services prior to installation. Said lock change shall be at the sole expense of the Lessee. If a lock is approved, Lessee shall provide the Director of Administrative Services with one (1) key for each lock changed immediately after such change has been completed.

G. Equipment; Personal Property: Special purpose equipment and all major appliances such as dishwashers, stoves, refrigerators, washers, and dryers located on the Premises shall be maintained and repaired by the Lessee at no cost to the City.

6. DAMAGE OR DESTRUCTION

In the event that the Premises are damaged by fire, earthquake, act of war, or other extraordinary casualty, to such an extent as to render the same untenable in whole or in substantial part thereof, or are destroyed, it shall be optional with the City to repair or rebuild the same; and within forty-eight (48) hours after the happening of any such event, the Lessee shall give the City or City's agent notice thereof. If the City elects to repair or rebuild said Premises, the City shall prosecute the work of such repairing or rebuilding without unreasonable delay, in accordance with the then existing City procedures, and during such period the rent for said Premises shall be abated in the same ratio that the portion of the Premises rendered for the time being unfit for occupancy bears to the whole of the Premises; upon the completion of said rebuilding, the Lessee shall immediately reoccupy the Premises and pay the rent as aforesaid. In the event the building in which the Premises are located shall be substantially destroyed or damaged even though the Premises shall not be damaged thereby, if in the opinion of the Director of Administrative Services it shall not be practical to repair or rebuild, then the City may terminate this Lease by providing such notice of termination to the Lessee within sixty (60) days after such damage or destruction has been determined to be irreparable.

Notwithstanding any other provision herein, no party to this lease shall be liable in damages to any other party for termination of this Lease in the manner described in this section, because of the damage or destruction of the Premises or the building in which the Premises form a part.

7. COMPLIANCE WITH LAW

A. General Requirement: The Lessee, at its sole cost and expense, shall perform and comply with all applicable laws of the United States and the State of Washington; the Charter and ordinances of The City of Seattle; and rules, regulations, orders, and directives of their administrative agencies and the officer thereof.

B. Licenses and Similar Authorizations: The Lessee, at no expense to the City, shall secure and maintain in full force and effect during the term of this Agreement, all required licenses, permits, and similar legal authorizations, and comply with all requirements thereof.

C. Taxes: The Lessee shall pay, before delinquency, all taxes, levies, and assessments arising from its activities on or occupancy of the Premises, including, but not limited to taxes

arising out of the activity or business conducted on the Premises such as the rental or sale of goods or services; taxes levied on its property, equipment, and improvements on the Premises; and taxes on the Lessee's interest in this Agreement and any leasehold interest deemed to have been created thereby under Ch. 82.29A RCW. In the event the State of Washington make any demand upon the City for payment of leasehold excise taxes resulting from the Lessee's occupation of the Premises or withholds funds due to the City to enforce collection of leasehold excise taxes, the Lessee shall, at its sole expense, contest such action and indemnify the City for all sums expended by, or withheld by the State from, the City in connection with such taxation.

D. Nondiscrimination and Affirmative Action.

(1) The Lessee agrees to and shall comply with all Federal, State and local laws and ordinances prohibiting discrimination with regard to race, color, national origin, ancestry, creed, religion, political ideology, sex, sexual orientation, marital status, or the presence of any sensory, mental or physical handicap.

(2) In the event the Lessee has three (3) or more employees, the following provision shall be deemed a part of this lease:

"During the performance of this Lease, the Lessee agrees as follows:

"The Lessee will not discriminate against any employee or applicant for employment because of creed, religion, race, color, sex, marital status, sexual orientation, political ideology, ancestry, national origin, or the presence of any sensory, mental, or physical handicap unless based upon a bona fide occupational qualification. The Lessee will take affirmative action to ensure that applicants are employed, and that employees are treated during the employment without regard to their creed, religion, race, color, sex, national origin or the presence of any sensory, mental or physical handicap. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Lessee agrees to post in conspicuous places available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this non-discrimination clause. The Lessee will take affirmative action to ensure that all of its employees, agents and subcontractors adhere to these provisions; provided, nothing herein shall prevent an employer from giving preference in employment to members of his/her immediate family.

"The Lessee will, upon the request of the Director (as used herein, Director means the Director of the City's Human Rights Department, or his/her designee) furnish to the Director on such form as may be provided therefor, a report of the affirmative action taken by the Lessee in implementing the terms of this provision, and will permit access to the Lessee's records of employment, employment advertisements, application forms, other pertinent data and records requested by the Director for the purpose of investigation to determine compliance with this provision.

"If, upon investigation, the Director determines that there is a probable cause to believe that the Lessee has failed to comply with any of the terms of this provision, the Lessee shall be so notified in writing. The contracting authority shall give the Lessee an opportunity to be heard after ten (10) days' notice. If the contracting authority concurs in the findings of the

Director, it may suspend or terminate this Lease and evict the Lessee in accordance with law. .

"Failure to comply with any of the terms of this provision shall be a material breach of this Lease."

The foregoing provision will be inserted in all subleases entered into under this Lease:

(3) Women's and Minority Business Enterprise Utilization:

- (a) Reference: The provisions of Seattle Municipal Code ("SMC") Chapter 20.46 (Women's and Minority Business Enterprise Utilization Ordinance), as amended, are hereby incorporated by reference and made a part hereof as if full set forth herein.
- (b) Compliance: During the term of this Agreement, the Lessee shall:
1. Continue to make every effort to utilize MBEs and WBEs;
 2. Require every subcontractor utilized by the Lessee for work in fulfillment of the Lessee's obligations under this Lease, to make every effort to utilize WBEs and MBEs; and
 3. Maintain records reasonably necessary for monitoring compliance with the provisions of SMC Chapter 20.46, as amended.

Any substitutions for or other failure to utilize the WBEs or MBEs projected for use in this Lease on the commitment forms must be approved in writing by the Seattle Human Rights Department and the Director of Administrative Services.

Inasmuch as the Seattle Human Rights Department is authorized and empowered by SMC Chapter 20.46 to monitor compliance with the Lessee's Women's and Minority enterprise utilization commitment during the term of this Lease, the Lessee shall furnish to such department within a reasonable time after a request has been made for the same, whatever reports or other information is reasonably necessary to determine compliance.

The failure of the Lessee to comply with applicable provisions of SMC Chapter 20.46 shall be a material breach of contract.

8. RENT

A. Lessee shall pay a portion of the annual rent in legal tender of the United States of America, which portion shall in the first year equal twenty percent (20%) of the sum of (a) two and one-half percent (2.5%) of the cost of one position of "Real Property Agent" or its successor, as computed in Part B, Subsection 8.B., hereof, plus (b) two and one-half percent (2.5%) of the then-current fair market improvements value of the property of which the Premises form a part (as specified in Part A, hereof, and as adjusted in accordance with Part B, Subsection 8.C., hereof); 40% of said sum in the second; and 50% in the third and subsequent years.

B. "Costs of a Real Property Agent's position": The cost of a Real Property Agent's position shall be computed by multiplying the sum of 1,573 chargeable hours by the then-prevailing hourly rate for such position or its successor, as published in the Department of Administrative Services' annual Rate & Services Directory or its successor; Provided, that the City reserves the right to modify, annually or more frequently, such rate or the number of chargeable hours as deemed appropriate by the Director of Administrative Services; Provided, further, that under no circumstances shall the Lessee be charged a higher rate than that established for City departments that desire to obtain property management services from the Department of Administrative Services or its successor.

C. "Fair Market Improvements Value": For the first year of the lease term, the fair market improvements value of the property of which the premises forms a part shall be the most recent City-appraised value of such property. For the second and following years of the Lease term, such value shall be adjusted upwards by multiplying the preceding year's value by the sum of 100% and the percentage increase (if any) in construction costs associated with the type of building of which the Premises forms a part, as indicated by the BOECKH Index for the preceding year; Provided, that in the event the aforementioned index is discontinued, the parties hereto shall select another, similar index that reflects increases in building maintenance and construction costs.

D. Time and Place of Payment: The annual minimum monetary rental calculated as described in Part A and Part B, Subsections 8B & C, hereof, shall be prorated and paid on a monthly basis, in advance, on or before the first day of every month, without separate invoice from the City. All such payments shall be delivered or mailed to the City Treasurer, c/o Property Management Section addressed as specified for notices, pursuant to Section 14, hereof. In-kind services in lieu of monetary rent shall be provided according to the schedule included in the annual supplement(s) comprising Part C, hereof.

E. Delinquent Rent: Monetary rent shall be delinquent if not paid on or by the date specified in Part B, Subsection 8D, hereof. Delinquent monetary rent shall bear interest at a rate of Fifteen Percent (15%) per annum or the maximum rate allowed by law whichever is less from the date of delinquency until paid. Services to be provided in lieu of monetary rent shall be delinquent if not provided according to the schedule(s) included in the appropriate annual supplement comprising a portion in Part C, hereof.

TERMINATION

A. For Breach by Lessee: In the event that the Lessee defaults in the performance of any of the terms, provisions, covenants and conditions to be kept, observed and performed by the Lessee, and such default is not corrected within thirty (30) days after the receipt of notice thereof from the City, or such shorter period as may be reasonable under the circumstances; or if the Lessee shall abandon, desert, vacate or remove from the Premises; or if the Lessee shall file a petition in bankruptcy; or if the Lessee shall be adjudicated as bankrupt after the filing of an involuntary petition in bankruptcy; or if the Lessee shall take or receive the advantage or benefit of any insolvency; or if the Lessee shall enter into an agreement of composition with the Lessee's creditors; then, in such event, the City, 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 Lessee, by giving notice of such election at least twenty (20) days prior to the effective date thereof, and as of such effective date, this Lease and all of the estate, right, title and interest thereby granted to or vested in the Lessee shall then cease and terminate, and the City may re-enter the Premises using such force as may be required. Notwithstanding such re-entry by the City and anything to the contrary in this Lease, the liability of the Lessee for the rent provided for herein for the balance of the term of this Lease shall not be extinguished. The Director of Administrative Services shall have the right to determine on the City's behalf the existence of any default in performance or other breach or violation of the terms and conditions hereof on the part of the Lessee.

B. For Breach by City: The City shall not be in breach of any obligation to perform under this Lease unless the City fails to perform such obligation within a reasonable time, which time shall not extend more than thirty (30) days after notice by the Lessee to the City specifying the particular obligation that the City has failed to perform; provided, however, that if the nature of the City's obligation is such that more than thirty (30) days are reasonably required for performance, then the City shall not be in breach if the City commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion.

C. Upon Notice by Lessee: This Lease may be terminated by the Lessee, without cause, by providing notice, of such termination to the City not less than sixty (60) days prior to the effective date thereof.

D. Notwithstanding any other provision to the contrary, this lease shall immediately terminate, if any action or inaction by the Lessee, if continued would likely cause any tax-exempt bonds used in connection with the premises to become taxable.

10. SURRENDER OF PREMISES

Upon the expiration or termination of the Lease, including any extensions thereof, whichever is earlier, the Lessee shall quit and surrender said Premises and all keys thereto, without notice and in as good condition as received at commencement of the term, except for changes due to ordinary wear and tear, damage or destruction by fire or other casualty or circumstances uncontrollable by the Lessee, and alterations, additions, and improvements made with the consent of the Director of Administrative Services. On or before the termination or expiration date, whichever is earlier, the Lessee shall remove all furniture, equipment, supplies and other materials owned and controlled by Lessee.

11. WAIVER OF DEFAULT

The City does not waive full compliance with the terms and conditions of this Lease by acceptance of rent. No waiver of default by either party of any of the terms, covenants and conditions hereof shall be construed or operate as a waiver of any subsequent default of any of the terms, covenants and conditions hereon.

12. AMENDMENTS

The parties hereto expressly reserve the right to amend this Lease, from time to time, as may be necessary; provided, that no alteration or modification of the terms or conditions hereof shall be valid and binding unless made in writing and signed by an authorized representative of each of the parties hereto.

13. NOTICES

All notices to be given by either of the parties hereto to the other party, shall be in writing and may either be delivered personally or may be deposited in the United States Mail, postage prepaid, addressed as specified in Part A hereof, or to such other respective address as the receiving party shall have been given when properly mailed; the postmark affixed by the United States Post Office shall be conclusive evidence of the date of mailing.

14. NO RELATIONSHIP

In no event shall the City be construed or held to have become in any way or for any purpose a partner, associate, or joint venturer of the Lessee or any party associate with the Lessee in the conduct of the Lessee's business or otherwise. This Lease does not constitute the Lessee the agent or legal representative of the City for any purposes whatsoever.

15. DIRECTOR OF ADMINISTRATIVE SERVICES

The term "Director of Administrative Services" as used throughout this Agreement in regard to permission, warrant, consent, approval, rights, interpretation, and discretionary matters shall mean the Director of Administrative Services or his designee; provided, that the action of the Director of Administrative Services pursuant to or in implementation of this Lease does not constitute any official action by any other City department or official that may be required by law, ordinance, rule or regulation before the Lessee may rightfully commence, suspend, enlarge, or terminate any particular undertaking or may obtain or exercise any particular

right or privilege under this Lease. Decisions to be made by the Director of Administrative Services shall be left to his/her reasonable discretion. Any approval, consent, or permission of the Director of Administrative Services required by this Lease shall not be unreasonably withheld.

16. ADJUDICATION

This Lease shall be construed under all of the applicable laws, statutes, ordinances, rules and regulations of the United States, the State of Washington, and the City of Seattle. In the case of a dispute between the parties, jurisdiction over such dispute shall be with the Superior Court of King County, Washington.

17. BINDING EFFECT

This Lease shall be binding upon the heirs, successors, assigns and all other parties legally empowered with signatory rights of any or all of the parties hereto.

18. INVALIDITY OF PROVISIONS

Should any term, provision, condition or other portion of the Lease be held to be inoperative, invalid or void, the same shall not affect any other term, provision, condition or other portion of this Lease, and the remainder of this Lease shall be effective as if such term, provision, condition or portion had not been contained herein.

ref: FacSvcs MOB #1 (PSNHC.PB)

CONTRACT EXHIBIT

Budget

BASIS FOR COMPUTATION OF UNIT COST

Unit:

In exchange for annual services rent of \$79,272 Puget Sound Neighborhood Health Centers agrees to provide 302 medical encounters a quarter for a value of \$26,441 or \$87.56 per visit. Annually, 1208 medical visits will be provided for a total donated value of \$105,764.

These figures are based on Puget Sound Neighborhood Health Centers 1990 operating budget. These figures will change each year as unit costs increase.

Unit:

	<u>QUARTERLY AVERAGE</u>	<u>TOTAL FOR YEAR</u>
1) Staff doctors, nurses and other professionals at \$46.40 per encounter	\$14,013	\$ 56,052
2) Contract Services including midwives, doctors and temporary medical staff at \$15.76 per encounter	\$ 4,760	\$ 19,040
3) Supply costs at \$3.50 per encounter	\$ 1,057	\$ 4,228
4) Other miscellaneous cost of operations	\$ 1,323	\$ 5,292
5) Administrative overhead at \$17.51 per encounter	\$ 5,288	\$ 21,152
TOTAL	\$26,441	\$105,764

APPROVED QUARTERLY PROJECT SPENDING RATE

The approved quarterly services delivery rate shall be established at \$19,818, and may exceed that amount by a maximum of 10% in the first three quarters without prior approval of the City. The annual amount of the delivered services usable as offset to rent is \$79,272 in the first year of this Lease.

MUTUAL AND OFFSETTING BENEFIT

LEASE AGREEMENT

PART A - SIGNATURE FORM

PARTIES

THIS LEASE AGREEMENT is entered into by and between THE CITY OF SEATTLE, a municipal corporation of the State of Washington, as Lessor, (hereinafter referred to as the "City") and Puget Sound Neighborhood Health Center (PSNHC) a non-profit 501 (c) (3) corporation organized under the laws of Washington and authorized to do business in the State of Washington, as Lessee (hereinafter referred to as "Lessee").

PREMISES

The City hereby leases to the Lessee and the Lessee hereby leases from the City 30% of the structure located on the following property:

Lots 14 through 26, inclusive, Block 21, Squire's Lakeside Addition to The City of Seattle, according to the plat thereof recorded in Volume 11 of Plats, Page 50, in King County Washington;

the street address for which is 4400 37th Avenue South, Seattle, Washington. Said 30% of structure hereinafter referred to as the "Premises" is approximately 8,428 square feet and consists of shared common areas and specifically defined areas of the structure for the exclusive use of PSNHC, as identified on Attachment D - Schematic.

USE/PURPOSE

The Premises shall be used and occupied only for the following purpose(s):

To provide quality medical care to low income persons.

TERM

The term of this lease begins July 1, 1990, and expires June 30, 1993, unless terminated earlier pursuant to the terms and conditions hereof.

RENT

In consideration for this Lease, the Lessee shall pay to the City or provide for the City's benefit, for the use and occupancy of the Premises, the following monthly rent: Seven Thousand Twenty Five and 00/100 Dollars (\$7,025), of which a portion, as further described in Part B, Subsection 8.A, hereof, shall be in the form of legal tender of the United States of America or negotiable instruments payable in the same and acceptable to the Director of Administrative Services. Any non-monetary portion of the rent shall be in the form of in-kind services that shall be agreed upon prior to the providing of the same. The services to be provided as a portion of any month's rent shall be described in the annual supplement(s) comprising Part C, hereof.

The premises "fair market improvements value" computed at 30% of the total value of the structure is Nine Hundred Thirty Thousand and 00/100 Dollars (\$930,000), which figure shall be used in the computation of the minimum monetary portion of the rent payable during the first year of the term hereof, and following the annual adjustment provided for in Part B, Subsection 8.C, hereof, for the succeeding years of the term of this Lease.

Under no circumstances shall in-kind services in excess of the value the Lessee becomes obligated to provide in any particular year be usable as an offset to the minimum monetary rental due and payable for any year of the Lease term, or as an offset to any services to be provided by the Lessee in any succeeding year of the Lease term.

INSURANCE

The Lessee shall secure and maintain insurance to protect the City from liability as more fully described in Part B, Subsection 4 of this Lease, which insurance shall provide the following minimum coverage:

\$1,000,000.00	Bodily injury, per person.
\$1,000,000.00	Bodily injury, per occurrence.
\$1,000,000.00	Property damage, per occurrence.

UTILITIES

As provided in Part B. Section 3. Utilities, the Lessee, at its sole expense, shall provide all utilities and other services.

The City shall not be responsible for any costs incurred in modifying the systems therefor that are occasioned by the Lessee's requirements.

AGREEMENT CONTENTS

This Lease consists of this Part A - Signature Form, plus Part B - General Terms and Conditions, the annual supplements hereto that comprise Part C - Description of M.O.B. Lessee's Services in Lieu of Cash Rental, and Attachment D - Schematic, all of which, by this reference, are incorporated herein. This Lease embodies the entire agreement of the parties hereto. There are no other understandings or agreements, written or oral, between the parties relating to the subject matter hereof.

EFFECTUATION OF AGREEMENT

In order to be effective, this Lease must be (1) signed by an authorized representative of the Lessee and returned to the City at the address set forth below, accompanied by any required evidence of insurance, and (2) signed by the Mayor pursuant to ordinance authority.

IN WITNESS WHEREOF, the parties hereto have affixed their signatures below:

THE CITY OF SEATTLE
LESSOR

PUGET SOUND NEIGHBORHOOD HEALTH
CENTER (PSNHC)
LESSEE

By *Norman B Rice*
Mayor

By *Julie Bodin Schmidt*
(Name)

ATTEST:

Executive Director
(Title)

By *Howard Brooks*
City Comptroller

By _____
(Name)

(Title)

City's address for all
communications:

Lessee's address for all
communications:

Property Management Section
Dept. of Administrative Services
Alaska Building - 14th Floor
618 Second Avenue
Seattle, Washington 98104
(until otherwise notified)

Puget Sound Neighborhood
Health Center
905 Spruce Street, Suite 201
Seattle, Washington 98104

ref: FacSvcs MOB #1 (PSNHC.MOB)

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that NORMAN B. RICE and NORWARD J. BROOKS signed this instrument, on oath stated that they were authorized to execute this instrument and acknowledged it as the MAYOR and CITY COMPTROLLER, respectively, of the CITY OF SEATTLE to be the free and voluntary act of such part for the uses and purposes mentioned in the instrument.

Dated: 29th, November 1990

Virginia E. McHenry
Notary Public in and for the
State of Washington, residing at
Seattle

My appointment expires 3/15/94

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 13 day of December, 19 90, before me personally, appeared Julie Boden Schmidt and ----- to me known to be Executive Director and ----- of the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

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

Nancy J. Strong
Notary Public in and for the
State of Washington, residing at
Seattle

My appointment expires 12/26/92

MUTUAL AND OFFSETTING BENEFIT

LEASE AGREEMENT

PART B - GENERAL TERMS AND CONDITIONS

1. LIMITATION ON USE/PURPOSE

Notwithstanding any other provision herein, the Lessee shall not enter into any sublease of the Premises or any portion thereof or any assignment of any interest in this Agreement, whether long or short term in nature, or engage in any activity herein, without obtaining the prior explicit written authorization therefor from the City.

2. POSSESSION

In the event of the inability of the City to deliver possession of the Premises, or any portion thereof, at the time of the commencement of the term of this Lease, neither the City nor any of the City's officers, employees, or 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, the Lessee shall not be liable for any rent until such time as the City can deliver possession.

3. UTILITIES

The Lessee, at the Lessee's sole expense, shall provide or shall otherwise pay for, when due, all costs for providing all utilities and other services on or to the Premises including but not limited to electricity, gas, water, telephone, sewer, garbage, heating, janitorial, security, and grounds keeping, and shall also pay all charges for utility installation and modifications thereto occasioned by the Lessee's requirements. The City shall not be liable for any injury, loss or damage caused by or resulting from any interruption or failure of said services due to any causes whatsoever except the City's negligence. The Lessee shall not be entitled to an offset, reduction, or return of rental as a result of any interruption or failure of said services.

4. LIABILITY

A. Indemnity: The Lessee shall indemnify and hold the City harmless from any and all losses, claims, actions, damages and expenses arising out of or resulting from any occurrence in or on the Premises. In the event that any suit based upon such losses, claims, actions, damages, or expenses is brought against the City, the Lessee, upon notice of the commencement thereof, shall defend the same at its sole cost and expense; and if final judgment be adverse to the City, or the City and the Lessee jointly, the Lessee shall promptly satisfy the same. The liability described in this subsection shall not be diminished by the fact that, if it be a fact, that any such death, injury, damage, loss, cost or expense may have been contributed to, or may be alleged to have been contributed to, in part, by an act or omission of the City, its officer, employees or agent; provided, that nothing contained in this subsection shall be construed as requiring the Lessee to indemnify the City against liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the sole act of omission of the City, its employees, officers, or agents.

B. Insurance: The Lessee shall secure and maintain during the full term of this Agreement, at no expense to the City, insurance by one or more companies authorized to do business in the State of Washington, as follows:

(1) A primary policy of general occurrence-based comprehensive liability insurance, under which

(a) the City shall be named as an additional insured in

the following manner:

"The City of Seattle is an additional insured for all coverage provided by this policy of insurance and shall be fully and completely protected by this policy for any claim, suit, injury death, damage or loss of any sort sustained by any person, organization or corporation in connection with activity upon or use or occupancy of the Premises, as well as any activity performed by the principal insured therein.

"The coverages provided by this policy to the City, or any other name insured, shall not be terminated, reduced or otherwise changed in any respect without providing written notice thereof to The City of Seattle, Department of Administrative Services, Property management Section, Alaska Building, 618 Second Avenue - 14th Floor, Seattle, Washington, 98104, at least thirty (30) days prior to the effective date thereof."

(b) Liability limits shall be at least the amounts set forth in Part A of the Lease; provided, that in the event the Director of Administrative Services deems such insurance to be inadequate to fully protect the Lessee and the City, the Lessee shall increase said liability limits to such amounts as the Director of Administrative Services shall deem reasonably adequate to provide said protection, which increase shall be completed within sixty (60) days after the date of notice that the Lessee's insurance is deemed to be adequate.

(c) Coverage shall include, but not limited to, the following types (described in insurance industry terminology):

- (1) Premises Operations Liability;
- (2) Blanket Contractual Liability;
- (3) Broad Form Property Damage;
- (4) Independent Contractor;
- (5) Automobile Liability for owned, leased, hired or non-owned, if there will be any use of vehicles on the Premises by or on behalf of the Lessee;
- (6) Products and/or Completed Operations;
- (7) Personal Injury, Coverages A, B, and C (Exclusion "C" to be removed).

C. Contractor's Insurance and Bond: The Lessee shall require each contractor used by the Lessee to perform any demolition or construction work in connection with any improvement, alteration, or addition to be made to the Premises, to secure and maintain, at no cost to the City, the following:

(1) A contract bond or performance bond payable to the Lessee and the City in the full and just sum of the total amount of the contract, conditioned that all the provisions of the contract shall be faithfully performed by the contractor, or the surety if so required, and indemnifying the Lessee and the City against any direct or indirect damages that shall be suffered or claimed for injuries to persons or property during the carrying out of the work of the contract, and conditioned as required by law for the payment of all laborers, mechanics, subcontractors and materialmen, and all persons who shall supply such person or persons or subcontractors with provisions or supplies for the carrying on of such work.

(2) A policy of primary comprehensive general liability and automobile liability insurance with \$1,000,000 Combined Single Limits per occurrence and annual aggregate, providing the following coverages:

- Premises/Operations Liability (N & C);

- Owners and Contractors Protective Liability;
- Products and Completed Operations Liability;
- Blanket Contractual Liability;
- Broad Form Property Damage Liability;
- Personal Injury, including coverages A, B, and C;
- Stop Gap or Employers Contingent Liability;
- Explosion, collapse, underground damage (referred to as "X, C, U");
- Automobile Liability, including coverage for owned, non-owned, leased or hired vehicles.

and under which insurance The City of Seattle shall be named as additional insured in the same manner as that specified in Subsection 4.B(2) (a), hereof.

D. Evidence of Insurance: A copy of such policy(ies) and all endorsements thereto or other evidence to the reasonable satisfaction of the Director or Administrative Services that the Lessee has secured and is maintaining insurance as required by this section shall be delivered to the Property Management Section at the address specified in Part A, hereof, on or before the effective date of the Lease, and shall be delivered thereafter with five (5) City business days after the Lessee's receipt of a written request therefor, for review by the City Attorney and the City's Risk Manager, and filing with the City Clerk. Such evidence shall be in the form of a certified copy of the policy with a certified endorsement naming the City as additional insured or an endorsement as a named additional insured, which endorsement must contain the policy number, expiration date and authorized signature of the insurance company representative, or an "ACORD" form of a Certificate of Insurance. In the event that the "ACORD" form of a Certificate of Insurance is submitted, it will be returned for correction if it does not comply with the following:

The wording at top of form: "This certificate is issued as a matter of information only and confers no rights upon the certificate holder." - Shall be deleted in its entirety.

The wording at bottom of form: "Should any of the above described policies be cancelled before the expiration date thereof, the issuing company will endeavor to mail thirty (30) days written notice to the below named certificate holder, but failure to mail such notice shall impose not obligation or liability of any kind upon the company." - Shall be changed to read - "Should any of the above described policies be cancelled, reduced as to coverage, or otherwise changed before the expiration date thereof, the issuing company will provide written notice of such action to the below name certificate holder/City of Seattle at least thirty (30) days prior to the effective date of such change or cancellation."

E. Assumption of Risk: The placement and storage of personal property on said Premises shall be the responsibility, and at the sole risk, of the Lessee.

F. Adjustments of Claims: The Lessee shall provide for the prompt and efficient handling of all claims for bodily injury, property damage or theft arising out of the activities of the Lessee under this Lease.

G. Termination upon Lessee's Failure to Comply with Requirements: Notwithstanding any provision herein to the contrary, the failure of the Lessee to comply with the provisions of this section shall subject this Lease to immediate termination without notice and without recourse by any person in order to protect the public interest.

5. USES AND CARE OF PREMISES

A. General Condition: The Premises shall at all times be kept in a neat, clean, safe and sanitary condition, and kept and used in accordance with the laws of the State of Washington and Charter and ordinances of The City of Seattle, and in accordance with all authorized rules and regulations of the Health Officer, Fire Marshal, Director of Construction and Land Use and other appropriate officer of The City of Seattle at the sole cost and expense of the Lessee. The Lessee shall not permit any waste, damage, or injury to the Premises; use or permit on said Premises anything that will increase the rate of fire insurance thereon beyond the rating classification; maintain anything on the Premises that may be dangerous to life or limb; overload the floors; permit any objectionable noise or odor to escape or to be emitted from said Premises; permit anything to be done upon said Premises that in any way will tend to create a nuisance or, in the event of multiple occupancy, to disturb any other tenants of the building, or to use or permit the use of said Premises for lodging or sleeping purposes.

B. Maintenance-Repairs: The Premises have been inspected by both parties and are accepted by Lessee in their existing condition as of the commencement date of this Lease, without reservation except for latent defects or faulty construction of the Premises not discoverable by inspection at the time taking possession and except for those improvements to be accomplished by the City as described in the Project Manual and accompanying construction drawings, which by this reference are incorporated herein. All normal repairs to roof, walls and foundations, windows, existing utility connections to and from the Premises and major electrical, plumbing, and heating systems necessary to maintain the Premises in a tenantable condition shall be done by or under the direction of the City and at the City's expense, except repair work necessitated by an act or omission of the Lessee, or any of the Lessee's officers, employees, agents or invitees, which repairs shall be made at the sole expense of the Lessee. All other maintenance and repairs to the Premises shall be the responsibility and at the sole expense of the Lessee; provided, that such maintenance and repairs shall be subject to the prior written approval of and shall be undertaken at the direction of the City.

C. Alterations:

(1) The Lessee shall not make, or cause to be made, any alteration, addition or improvement in said Premises without first obtaining the written consent of the Director of Administrative Services for such work. All alteration, additions and improvements made shall be at the sole cost and expense of the Lessee, and shall become the property of the City, and unless otherwise agreed in writing by the Director of Administrative Services, shall remain in and be surrendered with the Premises as a part thereof at the expiration or termination of this Lease, without disturbance, molestation or injury.

(2) The City reserves an unqualified right to make alterations to the Premises or to the building in which the Premises are situated (a) where conditions deemed by the Director of Administrative Services to constitute an emergency exist, or (b) in order to correct Code-deficiencies. The City also reserves the right to make general alterations to the Premises or to the building in which the Premises are situated where such general alterations will not unreasonably interfere with the ordinary operation of the Premises by the Lessee.

D. Access: The City reserves for itself, its officers, employees, agents and contractors, free access to said Premises at all reasonable times for the purposes of inspecting, cleaning, or making repairs, additions or alterations to the Premises or any other property owned by or under the control of the City, but this right shall not be construed as an agreement on the part of the City to make said inspections, clean or make repairs, additions or alterations. The Lessee shall have reasonable access to other property of the City where necessary to provide utility services to

or make repairs, alteration, additions, or improvements to the Premises; all of the Lessee's work on such other City property shall be at the Lessee's sole expense.

E. Signs: The Lessee shall not display, inscribe, paint or affix to any part of the Premises any sign except such as shall have been approved in writing by the Director of Administrative Services prior to such placement. The City shall have the right to place and maintain "For Rent" signs in conspicuous places on said Premises and to show the Premises to prospective tenants during the thirty (30) days prior to the expiration of this lease.

F. Keys: Any change in locks must be requested, in writing, by the Lessee and approved by the Director or Administrative Services prior to installation. Said lock change shall be at the sole expense of the Lessee. If a lock is approved, Lessee shall provide the Director of Administrative Services with one (1) key for each lock changed immediately after such change has been completed.

G. Equipment; Personal Property: Special purpose equipment and all major appliances such as dishwashers, stoves, refrigerators, washers, and dryers located on the Premises shall be maintained and repaired by the Lessee at no cost to the City.

6. DAMAGE OR DESTRUCTION

In the event that the Premises are damaged by fire, earthquake, act of war, or other extraordinary casualty, to such an extent as to render the same untenable in whole or in substantial part thereof, or are destroyed, it shall be optional with the City to repair or rebuild the same; and within forty-eight (48) hours after the happening of any such event, the Lessee shall give the City or City's agent notice thereof. If the City elects to repair or rebuild said Premises, the City shall prosecute the work of such repairing or rebuilding without unreasonable delay, in accordance with the then existing City procedures, and during such period the rent for said Premises shall be abated in the same ratio that the portion of the Premises rendered for the time being unfit for occupancy bears to the whole of the Premises; upon the completion of said rebuilding, the Lessee shall immediately reoccupy the Premises and pay the rent as aforesaid. In the event the building in which the Premises are located shall be substantially destroyed or damaged even though the Premises shall not be damaged thereby, if in the opinion of the Director of Administrative Services it shall not be practical to repair or rebuild, then the City may terminate this Lease by providing such notice of termination to the Lessee within sixty (60) days after such damage or destruction has been determined to be irreparable.

Notwithstanding any other provision herein, no party to this lease shall be liable in damages to any other party for termination of this Lease in the manner described in this section, because of the damage or destruction of the Premises or the building in which the Premises form a part.

7. COMPLIANCE WITH LAW

A. General Requirement: The Lessee, at its sole cost and expense, shall perform and comply with all applicable laws of the United States and the State of Washington; the Charter and ordinances of The City of Seattle; and rules, regulations, orders, and directives of their administrative agencies and the officer thereof.

B. Licenses and Similar Authorizations: The Lessee, at no expense to the City, shall secure and maintain in full force and effect during the term of this Agreement, all required licenses, permits, and similar legal authorizations, and comply with all requirements thereof.

C. Taxes: The Lessee shall pay, before delinquency, all taxes, levies, and assessments arising from its activities on or occupancy of the Premises, including, but not limited to taxes

arising out of the activity or business conducted on the Premises such as the rental or sale of goods or services; taxes levied on its property, equipment, and improvements on the Premises; and taxes on the Lessee's interest in this Agreement and any leasehold interest deemed to have been created thereby under Ch. 82.29A RCW. In the event the State of Washington make any demand upon the City for payment of leasehold excise taxes resulting from the Lessee's occupation of the Premises or withholds funds due to the City to enforce collection of leasehold excise taxes, the Lessee shall, at its sole expense, contest such action and indemnify the City for all sums expended by, or withheld by the State from, the City in connection with such taxation.

D. Nondiscrimination and Affirmative Action.

(1) The Lessee agrees to and shall comply with all Federal, State and local laws and ordinances prohibiting discrimination with regard to race, color, national origin, ancestry, creed, religion, political ideology, sex, sexual orientation, marital status, or the presence of any sensory, mental or physical handicap.

(2) In the event the Lessee has three (3) or more employees, the following provision shall be deemed a part of this lease:

"During the performance of this Lease, the Lessee agrees as follows:

"The Lessee will not discriminate against any employee or applicant for employment because of creed, religion, race, color, sex, marital status, sexual orientation, political ideology, ancestry, national origin, or the presence of any sensory, mental, or physical handicap unless based upon a bona fide occupational qualification. The Lessee will take affirmative action to ensure that applicants are employed, and that employees are treated during the employment without regard to their creed, religion, race, color, sex, national origin or the presence of any sensory, mental or physical handicap. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Lessee agrees to post in conspicuous places available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this non-discrimination clause. The Lessee will take affirmative action to ensure that all of its employees, agents and subcontractors adhere to these provisions; provided, nothing herein shall prevent an employer from giving preference in employment to members of his/her immediate family.

"The Lessee will, upon the request of the Director (as used herein, Director means the Director of the City's Human Rights Department, or his/her designee) furnish to the Director on such form as may be provided therefor, a report of the affirmative action taken by the Lessee in implementing the terms of this provision, and will permit access to the Lessee's records of employment, employment advertisements, application forms, other pertinent data and records requested by the Director for the purpose of investigation to determine compliance with this provision.

"If, upon investigation, the Director determines that there is a probable cause to believe that the Lessee has failed to comply with any of the terms of this provision, the Lessee shall be so notified in writing. The contracting authority shall give the Lessee an opportunity to be heard after ten (10) days' notice. If the contracting authority concurs in the findings of the

Director, it may suspend or terminate this Lease and evict the Lessee in accordance with law. .

"Failure to comply with any of the terms of this provision shall be a material breach of this Lease."

The foregoing provision will be inserted in all subleases entered into under this Lease:

(3) Women's and Minority Business Enterprise Utilization:

- (a) Reference: The provisions of Seattle Municipal Code ("SMC") Chapter 20.46 (Women's and Minority Business Enterprise Utilization Ordinance), as amended, are hereby incorporated by reference and made a part hereof as if full set forth herein.
- (b) Compliance: During the term of this Agreement, the Lessee shall:
1. Continue to make every effort to utilize MBEs and WBEs;
 2. Require every subcontractor utilized by the Lessee for work in fulfillment of the Lessee's obligations under this Lease, to make every effort to utilize WBEs and MBEs; and
 3. Maintain records reasonably necessary for monitoring compliance with the provisions of SMC Chapter 20.46, as amended.

Any substitutions for or other failure to utilize the WBEs or MBEs projected for use in this Lease on the commitment forms must be approved in writing by the Seattle Human Rights Department and the Director of Administrative Services.

Inasmuch as the Seattle Human Rights Department is authorized and empowered by SMC Chapter 20.46 to monitor compliance with the Lessee's Women's and Minority enterprise utilization commitment during the term of this Lease, the Lessee shall furnish to such department within a reasonable time after a request has been made for the same, whatever reports or other information is reasonably necessary to determine compliance.

The failure of the Lessee to comply with applicable provisions of SMC Chapter 20.46 shall be a material breach of contract.

8. RENT

A. Lessee shall pay a portion of the annual rent in legal tender of the United States of America, which portion shall in the first year equal twenty percent (20%) of the sum of (a) two and one-half percent (2.5%) of the cost of one position of "Real Property Agent" or its successor, as computed in Part B, Subsection 8.B., hereof, plus (b) two and one-half percent (2.5%) of the then-current fair market improvements value of the property of which the Premises form a part (as specified in Part A, hereof, and as adjusted in accordance with Part B, Subsection 8.C., hereof); 40% of said sum in the second; and 50% in the third and subsequent years.

B. "Costs of a Real Property Agent's position": The cost of a Real Property Agent's position shall be computed by multiplying the sum of 1,573 chargeable hours by the then-prevailing hourly rate for such position or its successor, as published in the Department of Administrative Services' annual Rate & Services Directory or its successor; Provided, that the City reserves the right to modify, annually or more frequently, such rate or the number of chargeable hours as deemed appropriate by the Director of Administrative Services; Provided, further, that under no circumstances shall the Lessee be charged a higher rate than that established for City departments that desire to obtain property management services from the Department of Administrative Services or its successor.

C. "Fair Market Improvements Value": For the first year of the lease term, the fair market improvements value of the property of which the premises forms a part shall be the most recent City-appraised value of such property. For the second and following years of the Lease term, such value shall be adjusted upwards by multiplying the preceding year's value by the sum of 100% and the percentage increase (if any) in construction costs associated with the type of building of which the Premises forms a part, as indicated by the BOECKH Index for the preceding year; Provided, that in the event the aforementioned index is discontinued, the parties hereto shall select another, similar index that reflects increases in building maintenance and construction costs.

D. Time and Place of Payment: The annual minimum monetary rental calculated as described in Part A and Part B, Subsections 8B & C, hereof, shall be prorated and paid on a monthly basis, in advance, on or before the first day of every month, without separate invoice from the City. All such payments shall be delivered or mailed to the City Treasurer, c/o Property Management Section addressed as specified for notices, pursuant to Section 14, hereof. In-kind services in lieu of monetary rent shall be provided according to the schedule included in the annual supplement(s) comprising Part C, hereof.

E. Delinquent Rent: Monetary rent shall be delinquent if not paid on or by the date specified in Part B, Subsection 8D, hereof. Delinquent monetary rent shall bear interest at a rate of Fifteen Percent (15%) per annum or the maximum rate allowed by law whichever is less from the date of delinquency until paid. Services to be provided in lieu of monetary rent shall be delinquent if not provided according to the schedule(s) included in the appropriate annual supplement comprising a portion in Part C, hereof.

TERMINATION

A. For Breach by Lessee: In the event that the Lessee defaults in the performance of any of the terms, provisions, covenants and conditions to be kept, observed and performed by the Lessee, and such default is not corrected within thirty (30) days after the receipt of notice thereof from the City, or such shorter period as may be reasonable under the circumstances; or if the Lessee shall abandon, desert, vacate or remove from the Premises; or if the Lessee shall file a petition in bankruptcy; or if the Lessee shall be adjudicated as bankrupt after the filing of an involuntary petition in bankruptcy; or if the Lessee shall take or receive the advantage or benefit of any insolvency; or if the Lessee shall enter into an agreement of composition with the Lessee's creditors; then, in such event, the City, 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 Lessee, by giving notice of such election at least twenty (20) days prior to the effective date thereof, and as of such effective date, this Lease and all of the estate, right, title and interest thereby granted to or vested in the Lessee shall then cease and terminate, and the City may re-enter the Premises using such force as may be required. Notwithstanding such re-entry by the City and anything to the contrary in this Lease, the liability of the Lessee for the rent provided for herein for the balance of the term of this Lease shall not be extinguished. The Director of Administrative Services shall have the right to determine on the City's behalf the existence of any default in performance or other breach or violation of the terms and conditions hereof on the part of the Lessee.

B. For Breach by City: The City shall not be in breach of any obligation to perform under this Lease unless the City fails to perform such obligation within a reasonable time, which time shall not extend more than thirty (30) days after notice by the Lessee to the City specifying the particular obligation that the City has failed to perform; provided, however, that if the nature of the City's obligation is such that more than thirty (30) days are reasonably required for performance, then the City shall not be in breach if the City commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion.

C. Upon Notice by Lessee: This Lease may be terminated by the Lessee, without cause, by providing notice of such termination to the City not less than sixty (60) days prior to the effective date thereof.

D. Notwithstanding any other provision to the contrary, this lease shall immediately terminate, if any action or inaction by the Lessee, if continued would likely cause any tax-exempt bonds used in connection with the premises to become taxable.

10. SURRENDER OF PREMISES

Upon the expiration or termination of the Lease, including any extensions thereof, whichever is earlier, the Lessee shall quit and surrender said Premises and all keys thereto, without notice and in as good condition as received at commencement of the term, except for changes due to ordinary wear and tear, damage or destruction by fire or other casualty or circumstances uncontrollable by the Lessee, and alterations, additions, and improvements made with the consent of the Director of Administrative Services. On or before the termination or expiration date, whichever is earlier, the Lessee shall remove all furniture, equipment, supplies and other materials owned and controlled by Lessee.

11. WAIVER OF DEFAULT

The City does not waive full compliance with the terms and conditions of this Lease by acceptance of rent. No waiver of default by either party of any of the terms, covenants and conditions hereof shall be construed or operate as a waiver of any subsequent default of any of the terms, covenants and conditions hereon.

12. AMENDMENTS

The parties hereto expressly reserve the right to amend this Lease, from time to time, as may be necessary; provided, that no alteration or modification of the terms or conditions hereof shall be valid and binding unless made in writing and signed by an authorized representative of each of the parties hereto.

13. NOTICES

All notices to be given by either of the parties hereto to the other party, shall be in writing and may either be delivered personally or may be deposited in the United States Mail, postage prepaid, addressed as specified in Part A hereof, or to such other respective address as the receiving party shall have been given when properly mailed; the postmark affixed by the United States Post Office shall be conclusive evidence of the date of mailing.

14. NO RELATIONSHIP

In no event shall the City be construed or held to have become in any way or for any purpose a partner, associate, or joint venturer of the Lessee or any party associate with the Lessee in the conduct of the Lessee's business or otherwise. This Lease does not constitute the Lessee the agent or legal representative of the City for any purposes whatsoever.

15. DIRECTOR OF ADMINISTRATIVE SERVICES

The term "Director of Administrative Services" as used throughout this Agreement in regard to permission, warrant, consent, approval, rights, interpretation, and discretionary matters shall mean the Director of Administrative Services or his designee; provided, that the action of the Director of Administrative Services pursuant to or in implementation of this Lease does not constitute any official action by any other City department or official that may be required by law, ordinance, rule or regulation before the Lessee may rightfully commence, suspend, enlarge, or terminate any particular undertaking or may obtain or exercise any particular

right or privilege under this Lease. Decisions to be made by the Director of Administrative Services shall be left to his/her reasonable discretion. Any approval, consent, or permission of the Director of Administrative Services required by this Lease shall not be unreasonably withheld.

16. ADJUDICATION

This Lease shall be construed under all of the applicable laws, statutes, ordinances, rules and regulations of the United States, the State of Washington, and the City of Seattle. In the case of a dispute between the parties, jurisdiction over such dispute shall be with the Superior Court of King County, Washington.

17. BINDING EFFECT

This Lease shall be binding upon the heirs, successors, assigns and all other parties legally empowered with signatory rights of any or all of the parties hereto.

18. INVALIDITY OF PROVISIONS

Should any term, provision, condition or other portion of the Lease be held to be inoperative, invalid or void, the same shall not affect any other term, provision, condition or other portion of this Lease, and the remainder of this Lease shall be effective as if such term, provision, condition or portion had not been contained herein.

ref: FacSvcs MOB #1 (PSNHC.PB)

CONTRACT EXHIBIT

Budget

BASIS FOR COMPUTATION OF UNIT COST

Unit:

In exchange for annual services rent of \$79,272 Puget Sound Neighborhood Health Centers agrees to provide 302 medical encounters a quarter for a value of \$26,441 or \$87.56 per visit. Annually, 1208 medical visits will be provided for a total donated value of \$105,764.

These figures are based on Puget Sound Neighborhood Health Centers 1990 operating budget. These figures will change each year as unit costs increase.

Unit:

	<u>QUARTERLY AVERAGE</u>	<u>TOTAL FOR YEAR</u>
1) Staff doctors, nurses and other professionals at \$46.40 per encounter	\$14,013	\$ 56,052
2) Contract Services including midwives, doctors and temporary medical staff at \$15.76 per encounter	\$ 4,760	\$ 19,040
3) Supply costs at \$3.50 per encounter	\$ 1,057	\$ 4,228
4) Other miscellaneous cost of operations	\$ 1,323	\$ 5,292
5) Administrative overhead at \$17.51 per encounter	\$ 5,288	\$ 21,152
TOTAL	\$26,441	\$105,764

APPROVED QUARTERLY PROJECT SPENDING RATE

The approved quarterly services delivery rate shall be established at \$19,818, and may exceed that amount by a maximum of 10% in the first three quarters without prior approval of the City. The annual amount of the delivered services usable as offset to rent is \$79,272 in the first year of this Lease.

2675



STEWART TITLE COMPANY of Washington, Inc.

"A Tradition of Excellence"

860514U/36

FILED FOR RECORD AT REQUEST OF

MAY 14 11 44 AM '86

BY THE DIVISION OF RECORDS & COMMUNITIES KING COUNTY

THIS SPACE PROVIDED FOR RECORDER'S USE:

86/05/14 RECD F CASHSL 5.00 #0736 E *****5.00 55

KING COUNTY NO EXCISE TAX MAY 14 1986 E0876457

WHEN RECORDED RETURN TO

Name Stewart Title Company

Address 801 Second Avenue Suite 600

City, State, Zip Seattle, WA 98104

2648DM

Statutory Warranty Deed

THE GRANTOR DORIS A. DAVIDSON, AS HER SEPARATE ESTATE

for and in consideration of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION

in hand paid, conveys and warrants to THE CITY OF SEATTLE, A MUNICIPAL CORPORATION

the following described real estate, situated in the County of KING, State of Washington:

Lots 14,15 and 16, Block 21, Squire's Lakeside Addition, according to the plat thereof recorded in Volume 11 of Plats, page 50, in King County, Washington.

176

STEWART TITLE 18055-2



Dated May 12, 19 86

Doris A. Davidson Doris A. Davidson

STATE OF WASHINGTON } COUNTY OF King } ss.

On this day personally appeared before me Doris A. Davidson to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that she signed the same as her free and voluntary act and deed, for the uses and purposes therein mentioned.

STATE OF WASHINGTON } COUNTY OF } ss.

On this day of 19 before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared

and to me known to be the President and Secretary, respectively, of

the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

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

GIVEN under my hand and official seal this 12 day of May, 19 86. L. Dean Maxwell Notary Public in and for the State of Washington, residing at Seattle My commission expires: 4/17/90

Notary Public in and for the State of Washington, residing at



"A Tradition of Excellence"

STEWART TITLE COMPANY of Washington, Inc.

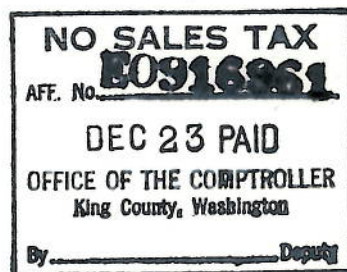
RECEIVED THIS DAY

THIS SPACE PROVIDED FOR RECORDER'S USE:

FILED FOR RECORD AT REQUEST OF

Dec 23 3 02 PM '86

BY THE DIVISION OF
RECORDS & ELECTIONS
KING COUNTY



WHEN RECORDED RETURN TO

Name Stewart Title Company

Address 801 Second Avenue Suite 600

City, State, Zip Seattle, WA 98104

86/12/23 RECD F 5:00 CASHSL #15945.00 *****5.00

3561DM

Statutory Warranty Deed

THE GRANTOR FRED BALLESTRASSE AND MARY BALLESTRASSE, HUSBAND AND WIFE

for and in consideration of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION

in hand paid, conveys and warrants to THE CITY OF SEATTLE, A WASHINGTON MUNICIPAL CORPORATION

the following described real estate, situated in the County of KING, State of Washington:

Lots 17 through 26, inclusive, Block 21, Squire's Lakeside Addition to the City of Seattle, according to the plat thereof recorded in Volume 11 of Plats, page 50, in King County, Washington.

SUBJECT TO: Right to make necessary slopes for cuts or fills upon property herein described as condemned in King County Superior Court Cause Number 92612.

The terms and conditions of The City of Seattle Ordinance Number 112701.



Dated December 23, 1986

Fred Ballestrasse
Fred Ballestrasse

Mary Ballestrasse
Mary Ballestrasse

STATE OF WASHINGTON, }
County of King } ss.

STATE OF WASHINGTON, }
County of _____ } ss.

I hereby certify that I know or have satisfactory evidence that Fred Ballestrasse and Mary Ballestrasse signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in this instrument.

I certify that I know or have satisfactory evidence that _____ signed this instrument, on oath stated that _____ authorized to execute the instrument and acknowledged it as the _____ of _____ to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated: December 23, 1986

J. Duin Maxwell
Notary Public in and for the State of Washington,
residing at Seattle

Dated: _____

Notary Public in and for the State of Washington,
residing at _____

My appointment expires 4/17/90

My appointment expires _____

8612231594
44630-2
STEWART TITLE

**LEASE AGREEMENT
SPECIAL TERMS AND CONDITIONS**

I. PARTIES:

THIS LEASE AGREEMENT is entered into by and between THE CITY OF SEATTLE, a municipal corporation of the State of Washington, as Lessor (hereinafter referred to as the "City"), and KING COUNTY, a home rule charter county and political subdivision of the State of Washington, as Lessee (hereinafter referred to as "Lessee").

II. PREMISES:

The City hereby leases to the Lessee and the Lessee hereby leases from the City a portion of that property commonly known as Southeast Seattle Health Clinic, located at 4400 - 37th Avenue South, Seattle Washington, covering approximately 19,666 square feet and legally described as:

Lots 14 through 26, inclusive, Block 21, Squire's Lakeside Addition to the City of Seattle, According to the plat thereof recorded in Volume 11 of Plats, Page 50, in King County, Washington;

all subject to the terms and conditions of this Lease. (Such property shall be referred to in this Lease as the "Premises").

III. USE/PURPOSE:

The Premises may be used only for the following uses and purposes:
Office space and related facilities for the Seattle-King County Department of Public Health.

IV. TERM:

The term of this Lease begins May 1, 2012, and ends April 30, 2017, unless it is terminated earlier pursuant to the provisions hereof, including provisions described in Addendum "A" and "B". This lease may be extended on a month to month basis under the same terms and conditions.

V. RENT:

In consideration of this Lease, the Lessee shall pay to the City, as rent, the prevailing Schedule II rental rate as specified in the City's annual budget. The current rent is \$8.28 per square foot per year or \$13,569.54 per month through April 30, 2013.

Rent shall be adjusted annually for the May rent payment to reflect the current Schedule II rate. Rent shall be paid in advance, on or before the first of each month.

VI. INSURANCE:

Lessee shall secure and maintain, at no expense to City, a policy or policies of insurance as enumerated below. Evidence of such insurance, shall be delivered to the address set forth below. Said policies shall include:

A) A policy of Commercial General Liability Insurance, written on an insurance

industry standard occurrence form (CG 00 01) or equivalent, including all the usual coverages known as:

- o Premises/Operations Liability
- o Products/Completed Operations
- o Personal/Advertising Injury
- o Contractual Liability
- o Independent Contractors Liability
- o Stop Gap/Employers Contingent Liability
- o Liquor Liability/Host Liquor Liability (as applicable)
- o Fire Damage Legal Liability
- o Elevator & Hoist Liability

Such policy (ies) must provide the following minimum limit:

Bodily Injury and Property Damage	
\$2,000,000	General Aggregate
\$2,000,000	Products & Completed Operations Aggregate
\$1,000,000	Personal & Advertising Injury
\$1,000,000	Each Occurrence
\$100,000	Fire Damage

Stop Gap Employers Liability	
\$1,000,000	Each Accident
\$1,000,000	Disease - Policy Limit
\$1,000,000	Disease - Each Employee

Any deductible or self-insured retention must be disclosed and is subject to approval by the City's Risk Manager. The cost of any claim payments falling within the deductible shall be the responsibility of the Lessee.

- B) A policy of Business Automobile Liability, including coverage for owned, non-owned, leased or hired vehicles written on an insurance industry standard form (CA 00 01) or equivalent.

Such policy (ies) must provide the following minimum limit:
Bodily Injury and Property Damage – \$ 1,000,000 per accident

- C) A policy of Worker's Compensation. As respects Workers' Compensation insurance in the state of Washington, the Lessee shall secure its liability for industrial injury to its employees in accordance with the provisions of Title 51 of the Revised Code of Washington. If the Lessee is qualified as a self-insurer in accordance with Chapter 51.14 of the Revised Code of Washington, Lessee shall so certify by providing a copy of the state Certificate of Self-Insurance, and setting forth the limits of any policy of excess insurance covering its employees.
- D) A policy of Property Insurance covering Lessee's furniture, fixtures, equipment and inventory and all improvements that it has made or makes to the Premises in an amount equal to replacement cost thereof, against (a) loss from the perils of fire, and other risks of direct physical loss, not less broad than provided by the insurance industry standard "Causes of Loss - Special Form (CP 10 30), (b)

Loss or damage from water damage, or sprinkler systems now or hereafter installed in on the premises; (c) Loss or damage by explosion of steam boilers, pressure vessels, oil or gasoline storage; (d) Business Interruption or Extra Expense, with sufficient coverage to provide for the payment of rent and other fixed costs during any interruption of Lessee's business because of fire or other cause.

E) Additional Insured and Changes of Coverage and Limits: Additional Insured - Such insurance, as provided under items A, B and D above, shall be endorsed to include the City, its officers, elected officials, employees, agents and volunteers as additional insured, and shall not be reduced or canceled without forty-five (45) days prior written notice to the City. In addition, Lessee's insurance shall be primary, as respects the City, and any other insurance maintained by the City shall be excess and not contributing insurance with the Lessee's insurance.

F) Coverage and/or limits may be altered or increased as necessary, to reflect type of or exposure to risk. The City shall have the right to periodically review the appropriateness of such limits in view of inflation and/or changing industry conditions and to require an increase in such limits upon ninety (90) days prior written notice.

G) Evidence of Insurance: The following documents must be provided as evidence of insurance coverage:

A copy of the policy's declarations pages, showing the Insuring Company, policy effective dates, limits of liability and the Schedule of Forms and Endorsements.

A copy of the endorsement naming The City as an Additional Insured, showing the policy number, and signed by an authorized representative of the insurance company on Form CG2026 (ISO) or equivalent.

A copy of the "Endorsements Form List" to the policy or policies showing endorsements issued on the policy, and including any company-specific or manuscript endorsements.

A copy of an endorsement stating that the coverages provided by this policy to the City or any other named insured shall not be terminated, reduced or otherwise materially changed without providing at least forty-five (45) days prior written notice to the City.

A copy of A "Separation of Insureds" or "Severability of Interests" clause, indicating essentially that - except with respect to the limits of insurance, and any rights or duties specifically assigned to the first named insured, this insurance applies as if each named insured were the only named insured, and separately to each insured against whom claim is made or suit is brought (Commercial General Liability & Business Automobile Liability Insurance).

H) All policies shall be subject to approval by the City's Risk Manager as to company (must be rated A-: VII or higher in the A.M. Best's Key Rating Guide and licensed to do business in the State of Washington or issued as a surplus line by a Washington Surplus lines broker), form and coverage, and primary to all

other insurance.

- I) If Lessee fails to maintain such insurance, City may do so, and Lessee shall reimburse City for the full expense thereof upon demand. Lessee shall not keep or use in or about the Premises any article that is prohibited by City's insurance policy. Lessee shall pay immediately any increase in City's premiums for insurance during the term of this Lease that results from Lessee's use of the Premises.
- J) Waiver of Subrogation. Neither City nor Lessee shall be liable to the other party or to any insurance company (by way of subrogation or otherwise) insuring the other party for any loss or damage to any building, structure or tangible personal property of the other occurring in or about the Premises or Building, even though such loss or damage might have been occasioned by the negligence of such party, its agents or employees, if such loss or damage is covered by insurance benefiting the party suffering such loss or damage or was required under the terms of this Lease to be covered by insurance procured by the party suffering the loss.
- K) Self-Insurance: Should Lessee be self-insured, under items A or B above, a letter from the Corporate Risk Manager, or appropriate Finance Officer, is acceptable.

VII. IX. UTILITIES AND SERVICES:

The City shall provide the following utilities and services: None. The Lessee shall pay its prorata share of the actual estimated annual utilities and services including elevator service, electricity, gas, water, sewer, garbage, solid waste, heating, janitorial, security, and grounds maintenance based upon the rentable area of 19,666 square feet.

VIII. X. AGREEMENT CONTENTS:

This Lease consists of these special terms and conditions as well as the general terms and conditions hereto attached, plus Addendum "A". It embodies the entire agreement of the parties hereto. There are no other understandings or agreements, written or oral, between the parties relating to the subject matter of this Lease.

IX. XI. EFFECTUATION OF AGREEMENT:

In order to be effective, this Lease must be (1) signed by authorized representatives of the Lessee and returned to the Director of Finance and Administrative Services Department at the address set forth below, accompanied by the security deposit and any required policy of insurance, and (2) signed by the Director pursuant to Ordinance authority.

IN WITNESS WHEREOF, the parties hereto have affixed their signatures below:

LESSOR, THE CITY OF SEATTLE

LESSEE, King County, Washington

By 
Fred Podesta, Director
Finance and Administrative Services

By 
Kathy Brown, Director *Stephen L. Salycr*
Facilities Management Division

Date 6/22/12

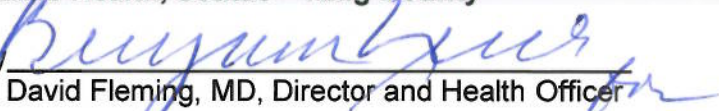
Date 6/21/12

Approved as to form only:

By 
Tim Barnes, Sr. Deputy Prosecuting Attorney

Date 6/20/12

Public Health, Seattle – King County

By 
David Fleming, MD, Director and Health Officer

Date 6/22/12

City's address for all communications:

Lessee's address for all communications:

Finance and Administrative Services
700 Fifth Avenue, Suite 5200
P.O. Box 94689
Seattle, Washington 98124-4689

King County Real Estate Services Division
500 Fourth Avenue, Suite 830
Seattle, WA 98104

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

I certify that I know or have satisfactory evidence that ^{Chris Potter} Fred Podesta is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Director of THE CITY OF SEATTLE Finance and Administrative Services Department to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



Dated: 10-22-12

M. M. Mingo
(Notary Signature)

M. M. Mingo
(Print Name)

NOTARY PUBLIC in and for the State of Washington, residing at King.
My appointment expires 11-19-12.

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Stephen L. Salyer is the individual who appeared before me, and said individual acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the Manager of Real Estate Services of KING COUNTY to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



Dated: 6/21/2012

Denise Hauck
(Notary Signature)

DENISE Hauck
(Print Name)

NOTARY PUBLIC in and for the State of Washington, residing at SEATTLE.
My appointment expires JAN 24, 2014.

**LEASE AGREEMENT
GENERAL TERMS AND CONDITIONS**

1. POSSESSION.

In the event of the inability of the City to deliver possession of the Premises, or any portion thereof, at the time of the commencement of the term of this Lease, neither the City nor any of its officers, employees or 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, the Lessee shall not be liable for any rent until such time as the City can deliver possession. In the event the Lessee takes possession of the Premises prior to the commencement date of this Lease, the Lessee and the City shall be bound by all of the provisions and obligations of this Lease during such prior period, including the obligation to pay rent and leasehold excise taxes at the rates stated herein, prorated on a daily basis.

2. UTILITIES AND SERVICES.

Unless otherwise provided in the Special Terms and Conditions of this Lease, the Lessee shall provide, or shall otherwise pay, before delinquency, all costs for providing, all utilities and other services on or to the Premises including, where applicable, but not limited to elevator service, electricity, gas, water, telephone, sewer, garbage, solid waste, heating, janitorial, security, and grounds maintenance, and shall also pay all charges for utility installations and modifications thereto occasioned by the Lessee's requirements. The City shall not be liable for any injury, loss or damage caused by or resulting from any interruption or failure of such services to any cause whatsoever except the City's negligence. The Lessee shall not be entitled to an offset, reduction or return of rental as the result of any interruption or failure of said services.

3. LIABILITY.

- a. Indemnification: The Lessee shall indemnify and hold the City harmless from any and all claims whatsoever arising out of the use and occupation of the Premises including claims arising by reason of accident, injury or death caused to persons or property of any kind as a direct or indirect consequence of any act or omission of the Lessee, its officers, employees, agents, licensees, or invitees.
- b. Assumption of Risk: The placement and storage of personal property on the Premises shall be the responsibility, and at the sole risk, of the Lessee.
- c. Insurance: Evidence, to the reasonable satisfaction of the Director, of the Lessee's maintenance of insurance as required by this Lease shall be submitted to the Director prior to the initial occupancy of any portion of the Premises, and thereafter, within a reasonable time after the Lessee's receipt of a request for such evidence, which time, in no event, shall exceed four (4) City business days.

Notwithstanding any provision herein to the contrary, the failure of the Lessee to comply with the requirements of this Lease regarding insurance shall subject this Lease to immediate termination without notice and without recourse by any person in order to protect the public interest.

4. COMPLIANCE WITH LAW.

- a. Applicable Law: This Lease shall be construed under and governed by all applicable laws of the United States of America and the State of Washington and the Charter and ordinances of The City of Seattle, as well as all rules and regulations of any such governmental entity.
- b. Licenses, Permits and Taxes: The Lessee shall be liable for, and shall pay throughout the term of this Lease, all license and excise fees and occupation taxes covering the business conducted on the Premises, and all taxes on personal property of the Lessee on the Premises and any excise or other taxes on the leasehold interest created by this Lease; and in the event the State of Washington makes any demand upon the City for payment of leasehold excise taxes resulting from the Lessee's occupation of the Premises or withholds funds due to the City to enforce collection of leasehold excise taxes, the Lessee, at its sole expense, shall contest such action and indemnify the City for all sums expended by, or withheld by the State from, the City in connection with such taxation.
- c. Equal Employment Opportunity and Nondiscrimination: The Lessee shall comply with all applicable equal employment opportunity and nondiscrimination laws of the United States, the State of Washington, and The City of Seattle, including the Seattle Municipal Code (SMC), notably SMC Ch. 20.44, and rules, regulations, orders, and directives of the associated administrative agencies and their officers.
- d. Permits: The Lessee, at no expense to the City, shall obtain any and all building permits, change of use permits, and/or certifications of occupancy from the City as may be required and shall deliver a copy of the same to the Director prior to occupying the Premises.

5. NO SUBLEASES OR ASSIGNMENTS; LIMITATIONS ON USE AND PURPOSE.

Notwithstanding any other provision hereof, the Lessee shall not enter into any sublease of the Premises or any portion thereof or any assignment of any interest in this Lease, whether long- or short-term in nature, or engage in any activity with respect to or on the Premises other than for the express uses and purposes stipulated herein, without obtaining the prior explicit written authorization therefor from the Director.

6. USE AND CARE OF THE PREMISES.

- a. General Condition: The Lessee shall keep the Premises at all times and at no expense to the City, in a neat, clean, safe and sanitary condition; and shall keep and use the Premises in accordance with the laws of the State of Washington and Charter and ordinances of The City of Seattle, and in accordance with all authorized rules and regulations of the Health Officer, Fire Marshal, Building Inspector and other officers of The City of Seattle. The Lessee shall not permit any waste, damage, or injury to the Premises; use or permit on the Premises anything that will increase the rate of fire insurance thereon; maintain anything on the Premises that may be dangerous to life or limb; overload the floors, permit any objectionable noise or odor to escape or to be emitted from the Premises; permit anything to be done upon the Premises that in any way will tend to create a nuisance or, in the event of multiple occupancy, to disturb any other tenants of the building in which the Premises form a part; or to use or permit the use of the Premises for lodging or sleeping purposes.
- b. Maintenance - Repairs: The Premises have been inspected by both parties and are accepted by Lessee in their existing condition as of the commencement date of this Lease, without reservation except for latent defects or faulty construction of the Premises not discoverable by inspection at the time of taking possession. All normal repairs to roof, walls and foundations and existing utility connections to and from the Premises necessary to maintain the Premises in a tenantable condition shall be done by or under the direction of the City, and at the City's expense, except those caused by the negligence or acts of the Lessee, or the Lessee's officers, employees, agents or invitees, which repairs shall be made at the sole expense of the Lessee. All other maintenance and repairs to the Premises shall be the responsibility and at the sole expense of the Lessee, except that such maintenance and repairs shall be subject to the prior written approval of and shall be undertaken at the direction of the Director.
- c. Alterations: The Lessee shall not make, or cause to be made, any alteration, addition or improvement in the Premises without first obtaining the written consent of the Director for such work. All alterations, additions and improvements that are made, shall be at the sole cost and expense of Lessee, and shall become the property of the City, and shall remain in and be surrendered with the Premises as part thereof at the termination of this Lease, without disturbance, molestation or injury. The City reserves an unqualified right to make alterations to the Premises or to the building in which the Premises are situated (1) where conditions deemed by the Director to constitute an emergency, exist; and (2) in order to correct code-deficiencies; and (3) where such alterations do not unreasonably interfere with the ordinary operation of the Premises by the Lessee.

- d. Access: The City reserves for itself, its officers, employees, agents and contractors, free access to the Premises at all reasonable times for the purposes of inspecting, cleaning or making repairs, additions or alterations to the Premises or any other property owned by or under the control of the City, but this right shall not be construed as an agreement on the part of the City to make inspections, clean, or make repairs, additions or alterations. Due to the nature of the leased space, the City shall provide notice to the Lessee prior to accessing the interior spaces. The Lessee shall have reasonable access to other property of the City where necessary to provide utility services to the Premises; all of the Lessee's work on such other City property shall be at no expense to the City.
 - e. Signs: The Lessee shall not display, inscribe, paint or affix to any part of the Premises any sign except a sign that has been approved, in writing, by the Director, prior to such placement. The City shall have the right to place and maintain "For Rent" signs in conspicuous places on the Premises and to show the Premises to prospective tenants during the thirty (30) days prior to the expiration of this Lease.
7. DAMAGE OR DESTRUCTION. In the event that the Premises (a) are damaged by fire, earthquake, act of war, or other extraordinary casualty to such an extent as to render them untenable in whole or in substantial part; or (b) are destroyed, the City shall have the option to repair or rebuild the Premises. Within forty-eight (48) hours after the happening of any such event, the Lessee shall give the Director notice of such event. The Director shall have sixty (60) days after the Director's receipt of such notification to notify the Lessee, in writing, of the City's intention to repair or rebuild the Premises, or any part so damaged. If the City elects to rebuild or repair the Premises, the City shall prosecute the work of such repairing or rebuilding without unreasonable delay, in accordance with the then-existing City procedures, and during such period the rent for the Premises shall be abated in the same ratio that the portion of the Premises rendered for the time being unfit for occupancy bears to the whole of the Premises; upon the completion of such rebuilding or repair, the Lessee shall immediately reoccupy the Premises and pay the full rent set forth in this Lease. In the event the building in which the Premises are located is substantially destroyed or damaged even though the Premises are not so damaged or destroyed, and if, in the opinion of the Director, it would not be practical to repair or rebuild the building, then the City shall have the option of terminating this Lease by providing to the Lessee thirty (30) days' prior written notice of termination. The Lessee shall also have the right to declare this Lease terminated, by providing to the City thirty (30) days' prior written notice of such termination, which notice shall be given within sixty (60) days after such damage or destruction. Notwithstanding any other provision of this Lease, no party to this Lease shall be liable in damages to any other party for terminating this Lease in accordance with the provisions of this section, because of the damage or destruction of the Premises or the building in which the Premises forms a part.
8. NOTICES. Any notice to be given by either party to the other shall be in writing and may either be delivered, personally, or may be deposited in the United States mail, postage prepaid, as either certified or regular mail, addressed as provided in the Special Terms and Conditions hereof, or to such other respective addresses as either party may, from time to time, designate in writing.
9. RELATIONSHIP. In no event shall the City be construed or held to have become in any way or for any purpose a partner, associate, or joint venturer of the Lessee or any party

associated with the Lessee in the conduct of the Lessee's business or otherwise. This Lease does not make the Lessee the agent or legal representative of the City for any purpose whatsoever.

10. **DEFINITION OF "DIRECTOR"**. The term "Director", as used throughout this Lease in regard to permission, warrant, consent, approval, rights, interpretation, and discretionary matters, shall mean the Director of the Finance and Administrative Services Department or his/her designee except where the granting of approval, consent or permission or the taking of any other official action by any other City official is required by law, ordinance, resolution, rule, or regulation before the Lessee may rightfully commence, suspend, enlarge, or terminate any particular undertaking or may obtain any particular right or privilege under this Lease.
11. **AMENDMENTS**. The parties hereto especially reserve the right to renegotiate and change the provisions of this Lease, from time to time, as may be necessary. No alteration or modification of the terms or conditions of this Lease shall be valid and binding unless made in writing and signed by the authorized representatives of the parties hereto.
12. **NO WAIVER OF DEFAULT**. The City does not waive full compliance with the terms and conditions of this Lease by acceptance of rent. No waiver of default by either party of any of the terms, covenants, and conditions hereof to be performed, kept and observed by the other party shall be construed as, or operate as, a waiver of any subsequent default of any of the terms, covenants and conditions of this Lease to be performed, kept and observed by the other party.
13. **TERMINATION**. In the event that the Lessee defaults in the performance of any of the terms, provisions, covenants, and agreements on the Lessee's part to be kept, observed, and performed, and such default is not corrected within thirty (30) days after the receipt of notice thereof from the City, or such shorter period as the City may determine is reasonable; or if the Lessee shall abandon, desert, vacate, or remove from the Premises; then, in such event, the Director at his/her 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 Lessee, and may re-enter said Premises using such force as may be required. Notwithstanding such re-entry by the City and anything to the contrary in this Lease, the liability of the Lessee for the rent provided for herein shall not be extinguished for the balance of the term of this Lease, and such rent shall be immediately due and payable.

Notice of said terminations shall be given to Lessee no later than six (6) months prior to the effective termination date. The Lessee shall have no right to damages of any kind or nature whatsoever for any such termination.
14. **SURRENDER OF PREMISES**. At the expiration or termination of this Lease, the Lessee shall quit and surrender the Premises and all keys thereto, without notice and in as good condition as received at the commencement of the term, except for ordinary wear and tear; damage or destruction by fire or other casualty or circumstances uncontrollable by the Lessee; and alterations, improvements, and additions made with the approval of the Director unless otherwise agreed as a condition of such approval.
15. **BINDING EFFECT**. This Lease shall be binding upon the heirs, successors, and assigns of the parties hereto.

ORDINANCE 112701

1
2 AN ORDINANCE relating to the Department of Administrative Services;
3 authorizing a call for bids for the development of a health care faci-
4 lity in southeast Seattle; ~~negotiation of a lease and lease back~~
5 agreement for such facility; ~~the purchase of land in connection there-~~
with; authorizing a sale of land and the dedication of proceeds in con-
nection therewith; and authorizing a sublease agreement with the
Rainier Vista Community Health Clinic.

6 WHEREAS, the existing facilities occupied by the City's Columbia Health
7 Center and the Rainier Vista Community Health Clinic are inadequate to
meet present and long-range needs;

8 WHEREAS, in adopting the 1985 Annual Budget, the Seattle City Council
9 requested that a long-range facility plan be developed for the City's
Columbia Health Center, including an assessment of the feasibility of
colocating with the Rainier Vista Community Health Clinic;

10 WHEREAS, The City of Seattle and Rainier Vista Community Health Clinic
wish to colocate in a shared health care facility in southeast Seattle;

11 WHEREAS, a citizens' and users' advisory committee has recommended a site
12 for a shared health care facility;

13 WHEREAS, Rainier Vista Community Health Center has obtained options to
14 purchase the recommended site, and has granted an option to acquire its
options to The City of Seattle; and

15 WHEREAS, the City has chosen to develop the shared health care facility
16 according to the methods authorized by Chapter 35.42 R.C.W.; Now,
Therefore,

17 BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

18 Section 1. For the purpose of developing a health care facility in
19 southeast Seattle, ~~the Director of Administrative Services is authorized to~~
20 purchase from the Rainier Vista Community Health Clinic, a Washington pri-
21 vate non-profit corporation, ~~an option to purchase~~ the following described
property:

22 Lots 14 through 26, inclusive, Block 21, Squire's Lake-
23 side Addition, according to the plat thereof recorded in
Volume 11 of Plats, page 50, in King County, Washington.

24 Section 2. For the purpose of developing a health care facility in
25 southeast Seattle, subject to acquisition of the option described in
26 Section 1, hereof, the Director of Administrative Services is authorized to
27 purchase the property described in Section 1.
28

1 Section 3. As requested by the Director of Administrative Services and
2 recommended by the Mayor in the attachments hereto, the Department of
3 Administrative Services is hereby authorized to: a) call for bids for the
4 development of a health care facility in southeast Seattle; and b) nego-
5 tiate a lease and lease back agreement for such facility, the continuation
6 of which shall be conditioned, among other events, upon the submittal to
7 and acceptance by the Director of Administrative Services of detailed plans
8 and specifications for such health care facility; all pursuant to RCW
9 35.42.080. Such lease and lease back agreement shall be based on terms
10 most advantageous to the City, and may provide options for the City to
11 purchase the facility pursuant to RCW 35.42.040, and shall provide that all
12 lease payments shall be credited to the purchase price, if the option to
13 purchase is exercised by the City.

14 Section 4. For the purposes identified in Section 3, above, and sub-
15 ject to approval of a lease and lease back agreement, the Director of
16 Administrative Services is authorized to sell the following described
17 property, and the proceeds of sale are hereby dedicated to be credited to
18 the City as rent, or as part of the purchase price, under said lease and
19 lease back agreement:

20 Commencing at the point of intersection of the West line
21 of Lot "E," Block 16, Plat of Columbia, recorded in
22 Volume 7 of Plats, page 97, in King County, Washington,
23 with the South line of the alley running East and West
24 through said block; thence South on the West line of
25 Lots "E," "F," and "G" of said block forty-eight (48)
26 feet to the true point of beginning; thence East to the
27 West line of Rainier Avenue; thence Southeasterly on the
28 East line of Lots "G," "H," and "I" of said block to the
Southeast corner of Lot "I;" thence East on the North
line of South Hudson Street to the Southwest corner of
Lot "I" of said block; thence North on the West line of
Lots "I," "H," and "G" of said block to the true point
of beginning: less easements of record.

29 Section 5. For the purposes identified in Section 3, above, and sub-
30 ject to approval of a lease and lease back agreement and an appropriation
31 having been made therefor, the Director of Administrative Services is

authorized to negotiate and enter an agreement with the Rainier Vista Community Health Center, or its successors or assigns, for the sublease of space to be acquired by said lease and lease back agreement.

Section 6. This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 18th day of February, 1986, and signed by me in open session in authentication of its passage the 18th day of February, 1986.

[Signature]
President of the City Council.

Approved by me this 26th day of February, 1986.

[Signature]
Mayor.

Filed by me this 26th day of February, 1986.

Attest: *Howard J. Brooks*
City Comptroller and City Clerk.

(SEAL)

By: *Theresa Dunbar*
Deputy Clerk.

Published

GBD:ndc
03/31/88
6:CRFAPPROP

#4 T. Browne
C.B. 106691

ORDINANCE 113953

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2
3 AN ORDINANCE relating to design and construction of a new
4 health clinic building for Southeast Seattle; authorizing
5 the Director of Administrative Services to administer the
6 project; and making a reimbursable appropriation from the
7 Cumulative Reserve Fund.

8 WHEREAS, the voters of King County authorized the sale of
9 general obligation bonds for the construction of health
10 facilities, including a Southeast Seattle Community Health
11 Clinic; and

12 WHEREAS, an agreement between the City and King County is
13 anticipated designating the City as responsible for the
14 design and construction of the Southeast Seattle Clinic,
15 and authorizing the transfer funds for that project to the
16 City from the proceeds of the bond issue; and

17 WHEREAS, the completion of bid documents and site preparation
18 are necessary now to maintain project schedule; Now,
19 Therefore,

20 BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

21 Section 1. As requested by the Mayor and the Director of
22 Administrative Services in the materials attached hereto, and
23 as envisioned in the 1988-93 Capital Improvement Program
24 adopted by Ordinance 113728, the sum of One Hundred Seventy-
25 five Thousand Dollars (\$175,000), or so much thereof as shall
26 be necessary, is hereby appropriated from the Cumulative
27 Reserve Fund, Main Subfund, for the completion of design
28 drawings and bid documents, and the removal of asbestos from
and the demolition of vacant buildings on the site of the new
community health clinic planned for Southeast Seattle.

Upon execution of an interlocal agreement with King
County regarding the funding for said clinic, the Cumulative
Reserve Fund shall be reimbursed from proceeds of King County

1 general obligation bonds authorized by the voters in November,
2 1987, for a project of the sort contemplated herein. The City
3 Comptroller is authorized to draw and the City Treasurer to
4 pay the necessary warrants and make the necessary transfers.

5 Section 2. The Director of Administrative Services is
6 authorized to administer the project contemplated in Section 1,
7 hereof.

8 Section 3. The preparation of designs and bid documents,
9 execution of contracts and agreements, and other acts con-
10 sistent with the authority and prior to the effective date of
11 this ordinance are hereby ratified and confirmed.
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(To be used for all Ordinances except Emergency.)

Section 4. This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 2nd day of May, 19 88
and signed by me in open session in authentication of its passage this 2nd day of May, 19 88
[Signature]
President of the City Council.

Approved by me this 12th day of May, 19 88
[Signature]
Mayor.

Filed by me this 12th day of May, 19 88.

Howard J. Brooks
Attest: City Comptroller and City Clerk.

(SEAL)

By Margaret Carter
Deputy Clerk.

Published.....

getReal SUBJECT PARCEL DETAIL REPORT

1/31/2012

Data Source: RPAMIS database

Subject Parcel ID:	16194	Parcel Type:	TRANSACTION-DEFINED PARCEL	Square Feet:	32,128		
OSTR:	SW 15 24 04	Address:	4400 37TH AV S	City:	SEATTLE	County:	KING
Plat/Block/Lot:	SQUIRES LAKESIDE ADD/21/17-26			Comment:			
Legal:	SQUIRES LAKESIDE ADD BLK 21 LTS 17-26						
Current Department:	SEATTLE FINANCE AND ADMINISTRATIVE SERVICES			Department Parcel ID:	A50292		
Current Status:	Municipal Use						

TAX PARCELS:

Parcel ID (PIN)	Data Source	Data Quality	Comment	Last Updated
7950303700	SEATTLE PUBLIC UTILITIES - GEOGRAPHIC INFO SYSTEMS	Verified	KCA111116	11/17/2011

PMAs:

PMA Name	PMA ID	Jurisdictional Department	PMA Current Status	Subject Parcel Link Active?
SOUTHEAST SEATTLE COMMUNITY HEALTH CENTER	144	SEATTLE FINANCE AND ADMINISTRATIVE SERVICES	Fully Utilized Municipal Use	Yes

SUBJECT PARCEL STATUS HISTORY:

Date	Status	Department	Dept Parcel ID	Comment
7/26/2010	Municipal Use	SEATTLE FINANCE AND ADMINISTRATIVE SERVICES	A50292	PER ORD 123361
1/1/2001	Municipal Use	SEATTLE FLEETS & FACILITIES DEPARTMENT	A50292	
12/23/1986	Municipal Use	SEATTLE EXECUTIVE SERVICES DEPARTMENT: DAS	A50292	

TRANSACTIONS:

Transaction Type	Effective Date	Expiration Date	Recording Number	Grantor	Grantee	Property Right	RPAMIS TRNSCT N #
Acquisition/Annexation	12/23/1986		198612231594	BALLESTRASSE, FRED & MARY	SEATTLE EXECUTIVE SERVICES DEPARTMENT: DAS	Fee simple/Fee title	16122

FUNDS:

No fund information for this subject parcel's transaction(s)

DOCUMENTS:

RPAMIS TRNSCTN #	RPAMIS DCT #	Document Type	Publisher	Official # (e.g., ordinance #)	Date
16122	7678	AUTHORIZING ORDINANCE	SEATTLE CITY COUNCIL	114116	9/15/1988
16122	7679	AUTHORIZING ORDINANCE	SEATTLE CITY COUNCIL	113953	5/12/1988
16122	7680	AUTHORIZING ORDINANCE	SEATTLE CITY COUNCIL	112701	2/26/1986

VALUES:

Valuation Date	Land/Bldg/All	Value	Comment	Value Source	Value Method
7/7/2011	LAND	\$1,445,725	ESTIMATE BASED ON ASSR VALUE	KING COUNTY ASSESSOR	Estimate
7/7/2011	BUILDING	\$3,035,044	ESTIMATE BASED ON ASSR VALUE	KING COUNTY ASSESSOR	Estimate
7/7/2011	LAND & BUILDING	\$4,480,769	ESTIMATE BASED ON ASSR VALUE	KING COUNTY ASSESSOR	Estimate
7/22/2010	BUILDING	\$3,445,029	ESTIMATE BASED ON ASSR VALUE	KING COUNTY ASSESSOR	Estimate
7/22/2010	LAND & BUILDING	\$4,890,766	ESTIMATE BASED ON ASSR VALUE	KING COUNTY ASSESSOR	Estimate
7/22/2010	LAND	\$1,445,737	ESTIMATE BASED ON ASSR VALUE	KING COUNTY ASSESSOR	Estimate
6/3/2010	LAND & BUILDING	\$5,094,590	ESTIMATE BASED ON ASSR VALUE	KING COUNTY ASSESSOR	Estimate
6/3/2010	BUILDING	\$3,648,853	ESTIMATE BASED ON ASSR VALUE	KING COUNTY ASSESSOR	Estimate
6/3/2010	LAND	\$1,445,737	ESTIMATE BASED ON ASSR VALUE	KING COUNTY ASSESSOR	Estimate
8/20/2009	LAND & BUILDING	\$5,094,428	ESTIMATE BASED ON ASSR VALUE	KING COUNTY ASSESSOR	Estimate
8/20/2009	BUILDING	\$3,648,735	ESTIMATE BASED ON ASSR VALUE	KING COUNTY ASSESSOR	Estimate
8/20/2009	LAND	\$1,445,689	ESTIMATE BASED ON ASSR VALUE	KING COUNTY ASSESSOR	Estimate
11/13/2002	LAND & BUILDING	\$3,266,186	ESTIMATE BASED ON ASSR VALUE	KING COUNTY ASSESSOR	Estimate

AMENDMENT TO LEASE

THIS AMENDMENT TO LEASE ("Agreement") is made this _____ day of _____, 2014 by and between THE CITY OF SEATTLE, a municipal corporation of the State of Washington, as Lessor (hereinafter referred to as the "City") and KING COUNTY, a home rule charter county and a political subdivision of the State of Washington, as Lessee, hereinafter called "Lessee."

RECITALS

- A. City and Lessee entered into a Lease Agreement executed June 22, 2012, for that certain leased space consisting of approximately 19,666 square feet of office space located at 4400 37th Avenue South, Seattle, Washington.
- B. County and Lessee desire to modify the General Terms and Conditions in the Lease as set forth herein.
- C. All defined terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Lease.

NOW THEREFORE, in consideration of the mutual promises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, County and Lessee hereby agree as follows:

AGREEMENT

1. The text in Addendum A page of the Lease will be replaced with the following text:

"The Lessee's obligations to the City, if any, that extend beyond the current calendar year are contingent upon approval of the lease by the King County Council and appropriation by the King County Council of sufficient funds to pay such obligations. Should such approval and appropriation not occur, this lease and all Lessee obligations hereunder will terminate at the end of the calendar year in which such approval or appropriation expires."

All other terms, covenants and conditions of the Lease shall remain unmodified and in full force and effect except as amended herein.

IN WITNESS THEREOF, The Parties have caused this Agreement to be fully executed and sealed the day and year first above written.

LANDLORD:

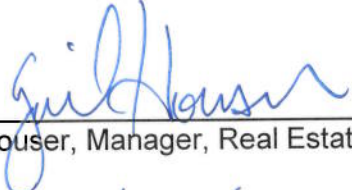
CITY OF SEATTLE

BY: 
Fred Podesta

DATE: 5/13/14

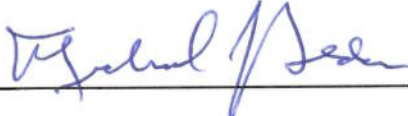
LESSEE:

KING COUNTY, WASHINGTON

BY: 
Gail Houser, Manager, Real Estate Services

DATE: 3/25/2014

KING COUNTY PUBLIC HEALTH

BY: 

DATE: 4/9/14



STEWART TITLE COMPANY of Washington, Inc.

"A Tradition
of Excellence"

080514U/36

FILED FOR RECORD AT REQUEST OF

MAY 14 11 44 AM '86

BY THE DIVISION OF
RECORDS & COMMUNICATIONS
KING COUNTY

THIS SPACE PROVIDED FOR RECORDER'S USE:

86/05/14
RECD F
CASHSL

5.00

#0736 E

****5.00
55

WHEN RECORDED RETURN TO

Name Stewart Title Company

Address 801 Second Avenue Suite 600

City, State, Zip Seattle, WA 98104

2648DM

KING COUNTY
NO EXCISE TAX
MAY 14 1986
E0876457

5

176

Statutory Warranty Deed

THE GRANTOR DORIS A. DAVIDSON, AS HER SEPARATE ESTATE

for and in consideration of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION

in hand paid, conveys and warrants to THE CITY OF SEATTLE, A MUNICIPAL CORPORATION

the following described real estate, situated in the County of KING, State of Washington:

Lots 14,15 and 16, Block 21, Squire's Lakeside Addition, according to the plat thereof recorded in Volume 11 of Plats, page 50, in King County, Washington.

STEWART TITLE
18055-2



Dated May 12, 19 86

Doris A. Davidson
Doris A. Davidson

STATE OF WASHINGTON }
COUNTY OF King } ss.

On this day personally appeared before me
Doris A. Davidson
to me known to be the individual described in and
who executed the within and foregoing instrument,
and acknowledged that she signed the same
as her free and voluntary act and deed,
for the uses and purposes therein mentioned.

STATE OF WASHINGTON }
COUNTY OF } ss.

On this day of 19
before me, the undersigned, a Notary Public in and for the State of Wash-
ington, duly commissioned and sworn, personally appeared

and
to me known to be the President and Secretary,
respectively, of

the corporation that executed the foregoing instrument, and acknowledged
the said instrument to be the free and voluntary act and deed of said corpora-
tion, for the uses and purposes therein mentioned, and on oath stated that
authorized to execute the said instrument and that the seal
affixed is the corporate seal of said corporation.

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

Notary Public in and for the State of Washington,
residing at

GIVEN under my hand and official seal this
12 day of May, 19 86.

L. Dean Maxwell
Notary Public in and for the State of Wash-
ington, residing at Seattle
My commission expires: 4/17/90



"A Tradition of Excellence"

STEWART TITLE COMPANY of Washington, Inc.

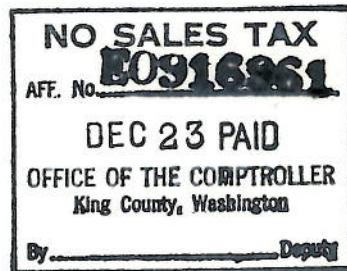
RECEIVED THIS DAY

THIS SPACE PROVIDED FOR RECORDER'S USE:

FILED FOR RECORD AT REQUEST OF

Dec 23 3 02 PM '86

BY THE DIVISION OF
RECORDS & ELECTIONS
KING COUNTY



WHEN RECORDED RETURN TO

Name Stewart Title Company

Address 801 Second Avenue Suite 600

City, State, Zip Seattle, WA 98104

86/12/23 RECD F 5:00 CASHSL #1594 5.00 *****5.00

3561DM

Statutory Warranty Deed

THE GRANTOR FRED BALLESTRASSE AND MARY BALLESTRASSE, HUSBAND AND WIFE

for and in consideration of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION

in hand paid, conveys and warrants to THE CITY OF SEATTLE, A WASHINGTON MUNICIPAL CORPORATION

the following described real estate, situated in the County of KING, State of Washington:

Lots 17 through 26, inclusive, Block 21, Squire's Lakeside Addition to the City of Seattle, according to the plat thereof recorded in Volume 11 of Plats, page 50, in King County, Washington.

SUBJECT TO: Right to make necessary slopes for cuts or fills upon property herein described as condemned in King County Superior Court Cause Number 92612.

The terms and conditions of The City of Seattle Ordinance Number 112701.



Dated December 23, 1986

Fred Ballestrasse
Fred Ballestrasse

Mary Ballestrasse
Mary Ballestrasse

STATE OF WASHINGTON, }
County of King } ss.

STATE OF WASHINGTON, }
County of _____ } ss.

I hereby certify that I know or have satisfactory evidence that Fred Ballestrasse and Mary Ballestrasse signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in this instrument.

I certify that I know or have satisfactory evidence that _____ signed this instrument, on oath stated that _____ authorized to execute the instrument and acknowledged it as the _____ of _____ to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated: December 23, 1986

J. Duin Maxwell
Notary Public in and for the State of Washington,
residing at Seattle

Dated: _____

Notary Public in and for the State of Washington,
residing at _____

My appointment expires 4/17/90

My appointment expires _____

8612231594
44630-2
STEWART TITLE