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REVIEWED BY
SKAGIT COUNTY TREASURER
DEPUTY D

Document Title: Lease Agree ment MeriCraves / KYA Estata LLE Reference Number: [\_] additional grantor names on page \_\_ Grantor(s): 1. Mexicrave 2. Grantee(s): 1.KKA Estates LLC [\_] additional grantee names on page\_ 2. [\_] full legal on page(s) \_\_. Abbreviated legal description: 33/36/03 Assessor Parcel / Tax ID Number: [\_] additional tax parcel number(s) on page \_\_\_. P48583 I Bonnie Philbrick Born \_\_, am hereby requesting an emergency nonstandard recording for an additional fee provided in RCW 36.18.010. I understand that the recording processing requirements may cover up or otherwise obscure some part of the text of the original document. Recording fee is \$303.50 for the first page, \$1.00 per page thereafter per document. In addition to the standard fee, an emergency recording fee of \$50.00 is assessed. This statement is to become part of the recorded document.

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Form: MT\_NNN Multi-Tenant NNN Lease Rev, 9/2024 Page 1 of 29

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

THIS LEASE AGREEMENT (the "Lease") is entered into and effective as of this Lease day of Lease day of Lease ("Landlord"), 20 between KXA Estates, LLC, a(n) Washington State Limited Liability Company ("Landlord"), and MexiCraves, LLC, a(n) Washington State Limited Liability Company ("Tenant"). Landlord and Tenant agree as fo

#### 1. LI

h. Notice and Payment Addresses:

	DWS:
E	ASE SUMMARY.
a.	Leased Premises. The leased commercial real estate (the "Premises") i) consists of an agreed area of Approximately 3,678 (Excluding the Espresso Stand) rentable square feet and is outlined on the floor plan attached as Exhibit A; ii) is located on the land legally described on attached Exhibit B; and iii) is commonly known as 14969 W Bow Hill Rd, Bow, WA 98232 (suite number and address). The Premises do not include, and Landlord reserves, the exterior walls and roof of the building in which the Premises are located (the "Building"), the land beneath the Building, the pipes and ducts, conduits, wires, fixtures, and equipment above the suspended ceiling; and the structural elements of the Building. The Building, the land upon which it is situated, all other improvements located on such land, and all Common Areas appurtenant to the Building are referred to as the "Property." The Building and all other buildings on the Property as of the date of this Lease contain an agreed total area of Approximately 3,678 (Excluding the Espresso Stand) rentable square feet.
b.	Lease Commencement Date. The term of this Lease shall commence upon (check one):
	$\square$ Substantial completion of (choose one) $\square$ Landlord's Work, or $\square$ Tenant's Work as further described in the attached Exhibit C ("Work Letter"), but in no event later than , 20
	☑ <u>October 1st</u> , 20 <u>25</u>
	(the "Commencement Date").
c.	<b>Lease Termination Date.</b> The term of this Lease shall terminate at midnight on the last day of the <u>September 30th, 2028</u> full month following the Commencement Date or such earlier or later date as otherwise provided in this Lease (the "Termination Date"). Tenant shall have no right or option to extend this Lease, unless otherwise set forth in a rider attached to this Lease (e.g., Option to Extend Rider, CBA Form OR).
d.	Base Rent. The monthly base rent shall be (check one): \$\subseteq\$, or \$\mathbb{Z}\$ according to the Rent Rider attached hereto ("Base Rent"). Rent shall be payable by wire transfer or at Landlord's address shown in Section 1(h) below, or such other place designated in writing by Landlord.
e.	Prepaid Rent. Upon execution of this Lease, Tenant shall deliver to Landlord the sum of \$5,000 as prepaid Rent, to be applied to Base Rent due for months One through One of the Lease.
f.	Security Deposit. Upon execution of this Lease, Tenant shall deliver to Landlord the sum of \$ 5,000.00 to be held as a security deposit pursuant to Section 5 below. The security deposit shall be in the form of (check one): ⊠ cash, check or wire transfer, or ☐ letter of credit according to the Letter of Credit Rider (CBA Form LCR) attached hereto.
g.	Permitted Use. The Premises shall be used only for <u>commissary kitchen</u> , <u>catering operations</u> , <u>food production</u> , <u>and related activities</u> , <u>including the ability to host small events and provide food service to the public</u> , subject to applicable zoning and other laws, and for no other purpose without the prior written consent of Landlord (the "Permitted Use").

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> Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 2 of 29

#### LEASE AGREEMENT

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

Landiord: KXA Estates, LLC

Notices sent to: P.O. Box 279, Bow, WA 98232

Payments to be received by either a Direct Deposit to Savi Bank Checking Account 3600002707 or via the DoorLoop Tenant Platform

Email: KXALLC@Yahoo.com

Tenant: Mexi Craves, LLC
Trinidad Sahagun
425-508-1153

Email: MEXICRAVESLLC@Gmail.com

i. Tenant's Pro Rata Share. Landlord and Tenant agree that Tenant's "Pro Rata Share" is 100 %, based on the ratio of the rentable area of the Premises stated in Section 1.a to the rentable area of all buildings on the Property stated in Section 1.a. Tenant's Base Rent and Pro Rata Share shall be proportionally adjusted in the event of any adjustment to the Premises', Building's or Property's rentable floor area either by remeasurement, which measurement standard shall be selected by Landlord in its reasonable discretion, or by physical change thereto.

#### 2. PREMISES.

- Lease of Premises. Landlord leases to Tenant, and Tenant leases from Landlord, the Premises upon the terms specified in this Lease.
- b. Acceptance of Premises. Except as specified elsewhere in this Lease, Landlord makes no representations or warranties to Tenant regarding the Premises, including the structural condition of the Premises or the condition of all mechanical, electrical, and other systems on the Premises. Except for any tenant improvements to be completed by Landlord as described in the Work Letter attached as Exhibit C ("Landlord's Work"), Tenant shall accept the Premises and its improvements in their respective AS-IS, WHERE-IS condition, and shall further be responsible for performing any work necessary to bring the Premises into a condition satisfactory to Tenant. By signing this Lease, Tenant acknowledges that it has had adequate opportunity to investigate the Premises; acknowledges responsibility for making any corrections, alterations and repairs to the Premises (other than Landlord's Work); and acknowledges that the time needed to complete any such items shall not delay the Commencement Date.
- c. Tenant Improvements. The Work Letter attached as Exhibit C sets forth all Landlord's Work, if any, and all tenant improvements to be completed by Tenant ("Tenant's Work"), if any, that will be performed on the Premises. Responsibility for design, payment and performance of all such work shall be as set forth in the Work Letter.
- 3. **TERM.** The term of this Lease shall commence on the Commencement Date, and shall end on the Termination Date, subject to any option to extend the term of this Lease set forth in a rider attached hereto (the "Term").
  - a. Early Possession. Tenant shall have reasonable access to the Premises during the \_\_\_\_\_days ((0) days if not filled in) preceding the Commencement Date for the sole purpose of installing Tenant's furniture, telecommunications, fixtures, telephone systems and computer cabling and the performance of Tenant's Work, if any. Such access shall be fully coordinated with Landlord in advance and Tenant shall not interfere with Landlord's Work. All of the terms and conditions of this Lease, including Tenant's insurance and indemnification obligations, shall apply during such time, except for payment of Base Rent. If Landlord permits Tenant to possess or occupy the Premises prior to the Commencement Date specified in Section 1, then such early occupancy shall not advance the Commencement Date or the Termination Date set forth in Section 1.

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Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 3 of 29

## LEASE AGREEMENT

b. Delayed Possession. Landlord shall act diligently to make the Premises available to Tenant; provided, however, neither Landlord nor any agent or employee of Landlord shall be liable for any damage or loss due to Landlord's inability or failure to deliver possession of the Premises to Tenant as provided in this Lease. If possession is delayed, the Commencement Date set forth in Section 1 shall also be delayed. If Landlord does not deliver possession of the Premises to Tenant within 30 days ((60) days if not filled in) after the Commencement Date specified in Section 1 (check one): 🖾 Tenant may elect to cancel this Lease by giving written notice to Landlord no later than 10 days ((10) days if not filled in) after such time period ends, or 🖾 then all Base Rent and Additional Rent shall be abated for each one (1) day after the Commencement Date during which possession of the Premises has not been delivered to Tenant. If Tenant gives such notice of cancellation, as Tenant's sole and exclusive remedy, the Lease shall be cancelled, all prepaid Rent and security deposits shall be refunded to Tenant, and neither Landlord nor Tenant shall have any further obligations to the other.

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

Notwithstanding anything in this Section 3(b) to the contrary, to the extent that any portions of the Landlord's Work or Tenant's Work have not been sufficiently completed in time for the Tenant to occupy or take possession of the Premises on the Commencement Date due to the failure of Tenant to fulfill any of its obligations under this Lease ("Tenant Delays"), the Term and Tenant's obligation to pay Base Rent and Additional Rent shall nevertheless commence on the Commencement Date set forth in Section 1, or upon the date that the Commencement Date would have occurred but for the Tenant Delays. The first "Lease Year" shall commence on the Commencement Date and shall end on the date which is twelve (12) months from the end of the month in which the Commencement Date occurs. Each successive Lease Year during the Term shall be twelve (12) months, commencing on the first day following the end of the preceding Lease Year.

#### 4. RENT.

- b. Triple Net Lease. This Lease is what is commonly called a "Net, Net, Net" or "triple-net" Lease, which means that Landlord shall receive all Base Rent free and clear of any and all other impositions, taxes, liens, charges or expenses of any nature whatsoever in connection with the ownership and operation of the Premises. In addition to Base Rent, Tenant shall pay to the parties respectively entitled thereto, or satisfy directly, all Additional Rent and other impositions, insurance premiums, repair and maintenance charges, and any other charges, costs, obligations, liabilities, requirements, and expenses, including without limitation the Operating Costs described in Section 8, which arise with regard to the Premises or may be contemplated under any other provision of the Lease during its term, except for costs and expenses expressly made the obligation of Landlord in this Lease.
- c. Late Charges; Default Interest. If any sums payable by Tenant to Landlord under this Lease are not received within ten (10) business days after their due date, Tenant shall pay Landlord an amount equal to the greater of \$100 or 5% of the delinquent amount for the cost of collecting and handling such late payment in addition to the amount due and as Additional Rent. All delinquent sums payable by Tenant to Landlord and not paid within five (5) business days after their due date shall, at Landlord's option, bear



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Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 4 of 29



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

interest at the rate of 15% per annum, or the highest rate of interest allowable by law, whichever is less (the "Default Rate"). Interest on all delinquent amounts shall be calculated from the original due date to the date of payment.

- d. Less Than Full Payment. Landlord's acceptance of less than the full amount of any payment due from Tenant shall not be deemed an accord and satisfaction or compromise of such payment unless Landlord specifically consents in writing to payment of such lesser sum as an accord and satisfaction or compromise of the amount which Landlord claims. Any portion that remains to be paid by Tenant shall be subject to the late charges and default interest provisions of this Section 4.
- 5. SECURITY DEPOSIT. Upon execution of this Lease, Tenant shall deliver to Landlord the security deposit specified in Section 1 above. Landlord's obligations with respect to the security deposit are those of a debtor and not of a trustee, and Landlord may commingle the security deposit with its other funds. If Tenant defaults in the performance of any covenant or condition of this Lease, Landlord shall have the right, but not the obligation, to use or retain all or any portion of the security deposit for the payment of: (i) Base Rent, Additional Rent, or any other sum as to which Tenant is in default; or (ii) the amount Landlord spends or may become obligated to spend, or to compensate Landlord for any losses incurred by reason of Tenant's default. Tenant acknowledges, however, that the security deposit shall not be considered as a measure of Tenant's damages in case of default by Tenant, and any payment to Landlord from the security deposit shall not be construed as a payment of liquidated damages for Tenant's default. If at any time during the Term of the Lease the security deposit delivered by Tenant becomes insufficient to cover the amounts required under this Section 5, whether or not due to Landlord's application of all or a portion of the security deposit as contemplated by this Section, Tenant shall, within five (5) days after written demand therefor by Landlord, deposit with Landlord an amount sufficient to replenish the security deposit to the amount required in Section 1 above. If Tenant is not in default of any covenant or condition of this Lease at the end of the Term, Landlord shall return any unused portion of the security deposit without interest within 30 days after the surrender of the Premises by Tenant in the condition required by Section 13 of this Lease.
- 6. USES. The Premises shall be used only for the Permitted Use, and for no other business or purpose without the prior written consent of Landlord. Tenant shall not do or permit any act to be done on or around the Premises that violates any law, ordinance, governmental regulation or order or that will increase the existing rate of insurance on the Premises, the Building, or the Property, or cause the cancellation of any insurance on the Premises, the Building, or the Property. Tenant shall not commit or allow to be committed any waste upon the Premises, or any public or private nuisance. Tenant shall not do or permit anything to be done on the Premises, the Building, or the Property which will obstruct or interfere with the rights of other tenants or occupants of the Property, or their employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees or to injure or annoy such persons.
- 7. COMPLIANCE WITH LAWS. Landlord represents to Tenant that, as of the Commencement Date, to Landlord's actual knowledge, but without duty of investigation, and with the exception of any Tenant's Work, the Premises comply with all applicable laws, rules, regulations, and orders, including without limitation, the Americans With Disabilities Act, and Landlord shall be responsible to promptly cure at its sole cost any noncompliance which existed on the Commencement Date. Tenant shall be responsible for complying with all laws applicable to the Premises as a result of the Permitted Use, and Tenant shall be responsible for making any changes or alterations as may be required by law, rule, regulation, or order for the Permitted Use at its sole cost and expense. Otherwise, if changes or alterations are required by law, rule, regulation, or order unrelated to the Permitted Use, Landlord shall make such changes and alterations at its expense.

#### 8. OPERATING COSTS.

a. **Definition.** As used herein, "Operating Costs" shall mean all costs of operating, maintaining and repairing the Premises, the Building, and the Property, determined in accordance with generally accepted

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Multi-Tenant NNN Lease Rev. 9/2024 Page 5 of 29



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

accounting principles, and including without limitation the following: all taxes and assessments (including, but not limited to, real and personal property taxes and assessments, local improvement district assessments and other special purpose assessments, and taxes on rent or gross receipts); insurance premiums paid by Landlord and (to the extent used) deductibles for insurance applicable to the Property; water, sewer and all other utility charges (other than utilities separately metered and paid directly by Tenant or other tenants); janitorial and all other cleaning services; refuse and trash removal; supplies, materials, tools, and equipment used in the operation, repair, and maintenance of the Property; refurbishing and repainting; carpet replacement; to the extent serving areas other than just the Premises, heating, ventilation and air conditioning ("HVAC") service, repair and replacement when necessary; elevator service and repair and replacement of elevators when necessary; pest control; lighting systems, fire detection and security services; landscape maintenance; management (fees and/or personnel costs); parking lot, road, sidewalk and driveway patching, resurfacing and maintenance; snow and ice removal; repair, maintenance, and, where reasonably required, replacement of signage; amortization of capital improvements as Landlord may in the future install to comply with governmental regulations and rules or undertaken in good faith with a reasonable expectation of reducing Operating Costs (the useful life of which shall be a reasonable period of time as determined by Landlord); costs of legal services (except those incurred directly relating to a particular occupant of the Building); and accounting services, labor, supplies, materials and tools. Landlord and Tenant agree that if the Building is not 90% occupied during any calendar year (including the Base Year, if applicable), on a monthly average, then those portions of the Operating Costs that are driven by occupancy rates, as reasonably determined by Landlord, shall be increased to reflect the Operating Costs of the Building as though it were 90% occupied and Tenant's Pro Rata Share of Operating Costs shall be based upon Operating Costs as so adjusted. Operating Costs shall not include: Landlord's income tax or general corporate overhead; depreciation or amortization on the Building or equipment therein; loan or ground lease payments; real estate broker's commissions; capital improvements to or major repairs of the Building shell (i.e., the Building structure, exterior walls, roof, and structural floors and foundations), except to the extent expressly permitted above; any costs regarding the operation, maintenance and repair of the Premises, the Building, or the Property paid directly by Tenant or other tenants in the Building or otherwise reimbursed to Landlord, or other cost for which another party is required to pay Landlord (except as part of operating cost recoveries under other tenant leases) so that Landlord shall not recover any item of cost more than once. If Tenant is renting a pad separate from any other structures on the Property for which Landlord separately furnishes the services described in this paragraph, then the term "Operating Costs" shall not include those costs of operating, repairing, and maintaining the enclosed mall which can be separately allocated to the tenants of the other structures. Operating Costs which cannot be separately allocated to the tenants of other structures may include but are not limited to: insurance premiums; taxes and assessments; management (fees and/or personnel costs); exterior lighting; parking lot, road, sidewalk and driveway patching, resurfacing and maintenance; snow and ice removal; and costs of legal services and accounting services.

- b. Type of Payment. As Additional Rent, Tenant shall pay to Landlord on the first day of each month with payment of Base Rent one-twelfth of Tenant's Pro Rata Share of Operating Costs, which amount is determined in the manner set forth in Section 8(c) below.
- c. Method of Payment. Tenant shall pay to Landlord Operating Costs pursuant to the following procedure:
  - i. Landlord shall provide to Tenant, on or before the Commencement Date, a good faith estimate of annual Operating Costs for the calendar year in which the Commencement Date occurs. Landlord shall also provide to Tenant, as soon as possible following the first day of each succeeding calendar year, a good faith estimate of Tenant's annual Pro Rata Share of Operating Costs for the then-current year.
  - ii. Each estimate of Tenant's annual Pro Rata Share of Operating Costs determined by Landlord, as described above, shall be divided into 12 equal monthly installments. Tenant shall pay to Landlord such monthly installment of Operating Costs with each monthly payment of Base Rent. In the event the



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Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 6 of 29

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

estimated amount of Tenant's Pro Rata Share of Operating Costs has not yet been determined for any calendar year, Tenant shall pay the monthly installment in the estimated amount determined for the preceding calendar year until the estimate for the current calendar year has been provided to Tenant. When the estimate for the current calendar year is received, Tenant shall then pay any shortfall or receive a credit for any surplus for the preceding months of the current calendar year and shall, thereafter, make the monthly installment payments in accordance with the current estimate.

- iii. As soon as reasonably possible following the end of each calendar year during the Term, Landlord shall provide to Tenant a statement (the "Operating Costs Statement") setting forth the amount of Operating Costs actually incurred and the amount of Tenant's Pro Rata Share of Operating Costs actually payable by Tenant with respect to such calendar year. In the event the amount of Tenant's Pro Rata Share of Operating Costs exceeds the sum of the monthly installments actually paid by Tenant for such calendar year, Tenant shall pay to Landlord the difference within 30 days following receipt of the Operating Costs Statement. In the event the sum of the monthly installments actually paid by Tenant for such calendar year exceeds the amount of Tenant's Pro Rata Share of Operating Costs actually due and owing, the difference shall be applied as a credit to Tenant's future Pro Rata Share of Operating Costs payable by Tenant pursuant to this Section, or if the Term has expired, the excess shall be refunded to Tenant within 30 days after delivery of such Operating Costs Statement.
- iv. Should Tenant dispute any amount shown on the Operating Costs Statement, Tenant may audit Landlord's books and records for the calendar year covered by such Operating Costs Statement upon written notice to Landlord given within 90 days after Tenant's receipt of such Operating Costs Statement. If Tenant fails to provide notice of dispute within such 90- day period, the Operating Costs Statement shall be final and conclusive. Any audit conducted by Tenant shall be completed within 60 days after Tenant's request therefor. If Landlord concurs with the audit results, and (x) if the audit reveals that Tenant's Pro Rata Share of Operating Costs exceeds the sum of the monthly installments actually paid by Tenant for such calendar year, Tenant shall pay to Landlord the difference within 30 days following completion of the audit; or (y) if the audit reveals that the sum of the monthly installments actually paid by Tenant for such calendar year exceeds the amount of Tenant's Pro Rata Share of Operating Costs actually due and owing, the difference shall be applied as a credit to Tenant's future Pro Rata Share of Operating Costs payable by Tenant pursuant to this Section, or if the term has expired, the excess shall be refunded to Tenant within 30 days after completion of the audit. If Landlord does not concur with the results of Tenant's audit, the parties shall within twenty (20) days thereafter agree on a neutral auditor who shall complete an audit within thirty (30) days after selection, and the decision of the neutral auditor shall be binding on the parties. The parties shall share evenly in the costs of any such neutral auditor. Landlord and Tenant shall cooperate as may be reasonably necessary in order to facilitate the timely completion of any audit. Nothing in this Section shall in any manner modify Tenant's obligations to make payments as and when provided under this Lease.

9.	. UTILITIES AND SERVICES. Landlord shall provide the following services for the Premises (7) days per week, (24) hours per day, the cost of which shall be included in the Operating Costs to the extent not separately metered to and exclusively serving the Premises (with the costs of such separately metered services to be directly billed to and paid by Tenant): (check all that apply) □water; □electricity; □ sewer; □trash and/or	
	recycling removal; and $\Box$ HVAC from a.m. to p.m. Monday through Friday; 7 a.m. to 9 p.m. on Saturday; and 8 a.m. to 6 p.m. on Sunday; $\Box$ janitorial service in the Premises and Building nights ((5)	
	nights if not filled in) each week, exclusive of holidays. HVAC services will also be provided by Landlord to the Premises during additional hours on reasonable notice to Landlord, at Tenant's sole cost and expense, at an hourly rate reasonably established by Landlord from time to time and payable by Tenant, as and when billed, as Additional Rent. Notwithstanding the foregoing, if Tenant's use of the Premises incurs utility service charges	
	which are above those usual and customary for the Permitted Use, Landlord reserves the right to require Tenant to pay a reasonable additional charge for such usage.	



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Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 7 of 29

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

Tenant shall furnish all other utilities (including, but not limited to, telephone, internet, and cable service if available) and other services which Tenant requires with respect to the Premises, and shall pay, at Tenant's sole expense, the cost of all utilities separately metered to the Premises, and of all other utilities and other services which Tenant requires with respect to the Premises, except those to be provided by Landlord and included in Operating Expenses as described above. Landlord shall not be liable for any loss, injury or damage to person or property caused by or resulting from any variation, interruption, or failure of utilities due to any cause whatsoever, and Rent shall not abate as a result thereof.

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

#### 11. COMMON AREAS.

- a. Definition. The term "Common Areas" means all areas, facilities and building systems that are provided and designated from time to time by Landlord for the general non-exclusive use and convenience of Tenant and other tenants of the Property and which are not leased or held for the exclusive use of a particular tenant. To the extent that such areas and facilities exist within the Property, Common Areas include hallways, entryways, stairs, elevators, driveways, walkways, terraces, docks, loading areas, restrooms, trash facilities, parking areas and garages, roadways, pedestrian sidewalks, landscaped areas, security areas, lobby or mall areas, common HVAC systems, common electrical service, equipment and facilities, and common mechanical systems, equipment and facilities. Tenant shall comply with, and shall use commercially reasonable efforts to cause its employees, officers, agents, servants, contractors, customers, clients, visitors, quests, or other licensees or invitees to comply with, reasonable rules and regulations concerning the use of the Common Areas adopted by Landlord from time to time, and shall not interfere with the use of Common Areas by others. Without advance notice to Tenant and without any liability to Tenant, Landlord may change the size, use, or nature of any Common Areas, erect improvements on the Common Areas or convert any portion of the Common Areas to the exclusive use of Landlord or selected tenants, so long as Tenant is not thereby deprived of the substantial benefit of the Premises, Landlord reserves the use of exterior walls and the roof of the Building and other improvements at the Property, and the right to install, maintain, use, repair and replace pipes, ducts, conduits, and wires leading through the Premises in areas which will not materially interfere with Tenant's use thereof.
- b. Use of the Common Areas. Tenant shall have the non-exclusive right, in common with such other tenants of the Property to whom Landlord has granted or may grant such rights, to use the Common Areas.
- c. Maintenance of Common Areas. Landlord shall maintain the Common Areas in good order, condition and repair. This maintenance cost shall be includable in Operating Costs pursuant to Section 8. In performing such maintenance, Landlord shall use commercially reasonable efforts to minimize interference with Tenant's use and enjoyment of the Premises.
- 12. ALTERATIONS. Tenant may make alterations, additions or improvements to the Premises (the "Alterations"), only with the prior written consent of Landlord, which consent, with respect to Alterations not affecting the structural components of the Premises or utility systems therein or for which the aggregate cost and expense does not exceed \$10,000, shall not be unreasonably withheld, conditioned, or delayed. Landlord shall have 30 days following Tenant's request for Landlord's consent to any Alterations to respond to such request, provided that Tenant's request includes the names of Tenant's contractors and reasonably detailed plans and



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Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 8 of 29

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

specifications therefor. The term "Alterations" shall not include: (i) any of Tenant's Work approved by Landlord pursuant to Exhibit C, (ii) Tenant's Signage (as further provided in Section 15), or (iii) the installation of shelves, movable partitions, Tenant's equipment and trade fixtures that may be installed and removed without damaging existing improvements or the structural integrity of the Premises, the Building, or the Property. Tenant shall perform all work at Tenant's expense and in compliance with all applicable laws and shall complete all Alterations in accordance with plans and specifications approved by Landlord, using contractors approved by Landlord, and in a manner so as not to unreasonably interfere with other tenants. Tenant shall pay when due, or furnish a bond for payment of (as set forth in Section 20), all claims for labor or materials furnished to or for Tenant at, or for use in, the Premises, which claims are or may be secured by any mechanics' or materialmens' liens against the Premises or the Property or any interest therein. Except as otherwise provided in the Work Letter attached as Exhibit C with respect to Tenant's Work, any improvements installed as part of Tenant Work's or Alterations performed or caused to be performed by Tenant (check one): ☑ shall become the property of Landlord, or ☐ shall be removed by Tenant at its sole cost and expense upon the expiration or earlier termination of the Lease Term (unless Landlord conditioned its consent in writing upon Tenant leaving a specified Alteration at the Premises, in which case Tenant shall not remove such Alteration, and it shall become Landlord's property). Tenant shall immediately repair any damage to the Premises caused by removal of improvements performed as part of Tenant's Work and/or Alterations.

- 13. REPAIRS AND MAINTENANCE; SURRENDER. Tenant shall, at its sole cost and expense, maintain the entire Premises in good condition and promptly make all non-structural repairs and replacements necessary to keep the Premises safe and in good condition, including all HVAC components and other utilities and systems to the extent exclusively serving the Premises. Landlord shall maintain and repair the Building structure, foundation, subfloor, exterior walls, roof structure and surface, and HVAC components and other utilities and systems to the extent serving more than just the Premises, and the Common Areas, the costs of which shall be included as Operating Costs unless otherwise expressly excluded pursuant to Section 8(a). Tenant shall not damage any demising wall or disturb the structural integrity of the Premises, the Building, or the Property and shall promptly repair any damage or injury done to any such demising walls or structural elements caused by Tenant or its employees, officers, agents, servants, contractors, customers, clients, visitors, quests, or other licensees or invitees. Notwithstanding anything in this Section to the contrary, Tenant shall not be responsible for any repairs to the Premises made necessary by the negligence or willful misconduct of Landlord or its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees therein. If Tenant fails to perform Tenant's obligations under this Section, Landlord may at Landlord's option enter upon the Premises after 10 days' prior notice to Tenant and put the same in good order, condition and repair and the cost thereof, together with interest thereon at the Default Rate set forth in Section 4, shall be due and payable as Additional Rent to Landlord together with Tenant's next installment of Base Rent. Upon expiration or earlier termination of the Term, Tenant shall promptly and peacefully surrender the Premises to Landlord, together with all keys, in materially as good condition as when received by Tenant from Landlord or as thereafter improved (but subject to any obligations to remove any Tenant's Work and Alterations and/or restore the same as further provided in this Lease), reasonable wear and tear and insured casualty excepted.
- 14. ACCESS AND RIGHT OF ENTRY. After 24 hours' notice from Landlord (except in cases of emergency, when no notice shall be required), Tenant shall permit Landlord and its agents, employees and contractors to enter the Premises at all reasonable times to make repairs, inspections, alterations or improvements, provided that Landlord shall use reasonable efforts to minimize interference with Tenant's use and enjoyment of the Premises. This Section shall not impose any repair or other obligation upon Landlord not expressly stated elsewhere in this Lease. After reasonable notice to Tenant, Landlord shall have the right to enter the Premises for the purpose of (a) showing the Premises to prospective purchasers or lenders at any time, and to prospective tenants within 180 days prior to the expiration or sooner termination of the Term; and (b) posting "for lease" signs within 180 days prior to the expiration or sooner termination of the Term.



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Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 9 of 29

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

15. SIGNAGE. Tenant shall obtain Landlord's written consent as to size, location, materials, method of attachment, and appearance, before installing any signs upon the Premises. Tenant shall install and maintain any approved signage ("Signage") at Tenant's sole expense and in compliance with all applicable laws. Unless as otherwise provided in Exhibit C with respect to any of Tenant's Work, any Signage installed by Tenant shall be removed from the Premises, Building and Property at Tenant's expense upon the expiration or earlier termination of the Term. Tenant shall not damage or deface the Premises in installing or removing Signage and shall repair any injury or damage to the Premises caused by such installation or removal.

#### 16. DESTRUCTION OR CONDEMNATION.

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

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

If the Premises, the portion of the Building or the Property necessary for Tenant's occupancy, or 50% or more of the rentable area of the Property are entirely destroyed, or partially damaged and rendered untenantable, by fire or other casualty, Landlord may, at its option: (a) terminate this Lease as provided herein, or (b) restore the Premises and the portion of the Property necessary for Tenant's occupancy to their previous condition to the extent required below; provided, however, if such casualty event occurs during the last six (6) months of the Term (after considering any option to extend the term timely exercised by Tenant) then either Tenant or Landlord may elect to terminate the Lease. If, within 60 days after receipt by Landlord from Tenant of written notice that Tenant deems the Premises or the portion of the Property necessary for Tenant's occupancy untenantable, Landlord fails to notify Tenant of its election to restore those areas, or if Landlord is unable to restore those areas within six (6) months of the date of the casualty event, then Tenant may elect to terminate the Lease upon 20 days' notice to Landlord unless Landlord, within such 20 day period, notifies Tenant that it will in fact restore the Premises or actually completes such restoration work to the extent required below, as applicable.

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



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Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 10 of 29

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

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

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

#### 17. INSURANCE.

- a. Tenant's Liability Insurance. During the Term, Tenant shall pay for and maintain commercial general liability insurance with broad form property damage and contractual liability endorsements. This policy shall (i) contain an endorsement identifying Landlord, its property manager (if any), and other parties designated by Landlord, as additional insureds using an endorsement form acceptable to Landlord, (ii) insure Tenant's activities and those of Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees with respect to the Premises against loss, damage or liability for personal injury or bodily injury (including death) or loss or damage to property with a combined single limit of not less than \$2,000,000 per occurrence, and a deductible of not more than \$10,000, and (iii) contain a provision requiring the insurer to deliver or mail written notice of cancellation to the named insureds at least (45) days before the effective date of the cancellation. Tenant's insurance will be primary and noncontributory with any liability insurance carried by Landlord. Landlord may also require Tenant to obtain and maintain at Tenant's sole cost business income coverage for at least six (6) months, business auto liability coverage, and, if applicable to Tenant's Permitted Use, liquor liability insurance and/or warehouseman's coverage.
- b. Tenant's Property Insurance. During the Term, Tenant shall pay for and maintain special form clauses of loss coverage property insurance (with coverage for earthquake if required by Landlord's lender and, if the Premises are situated in a flood plain, flood damage) for all of Tenant's personal property, fixtures and equipment, Tenant's Work, and Alterations, in the amount of their full replacement value, with a deductible of not more than \$10,000.
- c. Miscellaneous. Tenant's insurance required under this Section shall be with companies rated A-/VII or better in Best's Insurance Guide, and which are admitted in the State of Washington. No insurance policy shall be cancelled or reduced in coverage and each such policy shall provide that it is not subject to cancellation or a reduction in coverage except after 45 days prior written notice to Landlord. Tenant shall deliver to Landlord, prior to Tenant's first taking possession of or occupying the Premises, and from time to time thereafter, copies of the insurance policies or evidence of insurance and copies of endorsements required by this Section. In no event shall the limits of such policies be considered as limiting the liability of Tenant under this Lease. If Tenant fails to acquire or maintain any insurance or provide any policy or evidence of insurance required by this Section, and such failure continues for three (3) days after notice from Landlord, Landlord may, but shall not be required to, obtain such insurance for Landlord's benefit and



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Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 11 of 29

#### LEASE AGREEMENT

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

Tenant shall reimburse Landlord for the costs of such insurance upon demand. Such amounts shall be Additional Rent payable by Tenant hereunder and in the event of non-payment thereof, Landlord shall have the same rights and remedies with respect to such non-payment as it has with respect to any other non-payment of Rent hereunder.

- d. Landlord's Insurance. Landlord shall carry special form clauses of loss coverage property insurance of the Building shell and core in the amount of their full replacement value, liability insurance with respect to the Common Areas, and such other insurance of such types and amounts as Landlord, in its discretion, shall deem reasonably appropriate. The cost of any such insurance shall be included in Operating Costs, and if such insurance is provided by a "blanket policy" insuring other parties or locations in addition to the Building, then only the portion of the premiums allocable to the Building and Property shall be included in Operating Costs.
- e. Waiver of Subrogation. Notwithstanding any other provision of this Lease to the contrary, Landlord and Tenant hereby release each other and any other tenant, their agents or employees, from responsibility for, and waive their entire claim of recovery for any loss or damage arising from any cause covered by insurance required to be carried or otherwise carried by each of them. Each party shall provide notice to the insurance carrier or carriers of this mutual waiver of subrogation, and shall cause its respective insurance carriers to waive all rights of subrogation against the other. This waiver shall not apply to the extent of the deductible amounts to any such policies or to the extent of liabilities exceeding the limits of such policies.

#### 18. INDEMNIFICATION.

- a. Indemnification by Tenant. Tenant shall defend, indemnify, and hold Landlord and its property manager (if any) harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, for personal injury, bodily injury (including death) or property damage arising from any negligent or wrongful act or omission of Tenant or Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees on or around the Premises or the Property, or arising from any breach of this Lease by Tenant. Tenant shall use legal counsel reasonably acceptable to Landlord in defense of any action within Tenant's defense obligation.
- b. Indemnification by Landlord. Landlord shall defend, indemnify and hold Tenant harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, for personal injury, bodily injury (including death) or property damage arising from any negligent or wrongful act or omission of Landlord or Landlord's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees on or around the Premises or the Property, or arising from any breach of this Lease by Landlord. Landlord shall use legal counsel reasonably acceptable to Tenant in defense of any action within Landlord's defense obligation.
- c. Waiver of Immunity. Landlord and Tenant each specifically and expressly waive any immunity that each may be granted under the Washington State Industrial Insurance Act, Title 51 RCW. Neither party's indemnity obligations under this Lease shall be limited by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under the Worker Compensation Acts, Disability Benefit Acts or other employee benefit acts.
- d. Exemption of Landlord from Liability. Except to the extent of claims arising out of Landlord's gross negligence or intentional misconduct, Landlord shall not be liable for injury to Tenant's business or assets or any loss of income therefrom or for damage to any property of Tenant or of its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, or any other person in or about the Premises or the Property.



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Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 12 of 29

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

- e. Survival. The provisions of this Section 18 shall survive expiration or termination of this Lease.
- 19. ASSIGNMENT AND SUBLETTING. Tenant shall not assign, sublet, mortgage, encumber or otherwise transfer any interest in this Lease (collectively referred to as a "Transfer") or any part of the Premises, without first obtaining Landlord's written consent, which shall not be unreasonably withheld, conditioned, or delayed. No Transfer shall relieve Tenant of any liability under this Lease notwithstanding Landlord's consent to such Transfer. Consent to any Transfer shall not operate as a waiver of the necessity for Landlord's consent to any subsequent Transfer. In connection with each request for consent to a Transfer, Tenant shall pay the reasonable cost of processing the same, including attorneys' fees, upon demand of Landlord, up to a maximum of \$1,250.
  - Any transfer of this Lease by merger, consolidation, redemption or liquidation of Tenant, or any change in the ownership of, or power to vote, which singularly or collectively represents a majority of the beneficial interest in Tenant, shall constitute a Transfer under this Section.
  - As a condition to Landlord's approval, if given, any potential assignee or sublessee otherwise approved by Landlord shall assume all obligations of Tenant under this Lease and shall be jointly and severally liable with Tenant and any guarantor for the payment of Rent and performance of all obligations of Tenant under this Lease. In connection with any Transfer, Tenant shall provide Landlord with copies of all assignments, subleases and assumption agreements and related documents.
- 20. LIENS. Tenant is not authorized to subject the Landlord's assets to any liens or claims of lien. Tenant shall keep the Property and Premises free from any liens created by or through Tenant. Tenant shall indemnify, defend, and hold Landlord and the Property and Premises harmless from liability for any such liens including, without limitation, liens arising from any of Tenant's Work or Alterations. If a lien is filed against the Premises by any person claiming by, through or under Tenant, Tenant shall have the right to contest the correctness or validity of the lien, provided, however, within 10 days after Landlord's demand, at Tenant's expense, Tenant shall either remove the lien, or shall procure and record a lien release bond issued by a surety satisfactory to Landlord in form and amount sufficient to satisfy statutory requirements for satisfaction and release of the subject lien(s) from the Premises and Property. Tenant shall indemnify Landlord, the Premises, and the Property from and against all liabilities, costs and expenses, including attorneys' fees, which Landlord could reasonably incur as a result of such lien.
- 21. DEFAULT. Each of the following events shall be an "Event of Default" by Tenant under this Lease:
  - Failure To Pay. Failure by Tenant to pay any sum, including Rent, due under this Lease following ten (10)
    days' notice from Landlord of the failure to pay.
  - b. Vacation/Abandonment. Vacation by Tenant of the Premises (defined as an absence for at least 15 consecutive days without prior notice to Landlord), or abandonment by Tenant of the Premises (defined as an absence of five (5) days or more while Tenant is in breach of some other term of this Lease). Tenant's vacation or abandonment of the Premises shall not be subject to any notice or right to cure.
  - c. Insolvency. Tenant's insolvency or bankruptcy (whether voluntary or involuntary); or appointment of a receiver, assignee or other liquidating officer for Tenant's business; provided, however, that in the event of any involuntary bankruptcy or other insolvency proceeding, the existence of such proceeding shall constitute an Event of Default only if such proceeding is not dismissed or vacated within 60 days after its institution or commencement.
  - d. Levy or Execution. The taking of Tenant's interest in this Lease or the Premises, or any part thereof, by execution or other process of law directed against Tenant, or attachment of Tenant's interest in this Lease by any creditor of Tenant, if such attachment is not discharged within 15 days after being levied.



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Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 13 of 29

#### LEASE AGREEMENT

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

- e. Other Non-Monetary Defaults. The breach by Tenant of any agreement, term or covenant of this Lease other than one requiring the payment of money and not otherwise enumerated in this Section or elsewhere in this Lease, which breach continues for a period of 30 days after notice by Landlord to Tenant of the breach, provided that, if the nature of such default is such that it cannot be cured within such 30 day period, no Event of Default shall occur so long as Tenant commences such cure within 30 days of notice by Landlord and diligently pursues such cure to completion, but in no event longer than 60 days from the date of Landlord's notice.
- f. Failure to Take Possession. Failure by Tenant to take possession of the Premises on the Commencement Date following five (5) days' notice from Landlord of Tenant's failure to take possession.

Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within 30 days after notice by Tenant to Landlord, provided that, if the nature of such default is such that it cannot be cured within such 30 day period, Landlord shall not be in default if Landlord commences such cure within 30 days of notice by Tenant and diligently pursues such cure to completion. If Landlord fails to cure any such default within the allotted time, Tenant's sole remedy shall be to seek actual money damages (but not consequential or punitive damages) for loss arising from Landlord's failure to discharge its obligations under this Lease. Nothing herein contained shall relieve Landlord from its duty to perform any of its obligations to the standard prescribed in this Lease.

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

- 22. **REMEDIES.** Landlord shall have the following remedies upon an Event of Default, Landlord's rights and remedies under this Lease shall be cumulative and not exclusive.
  - a. Termination of Lease. Landlord may terminate Tenant's interest under the Lease, but no act by Landlord other than notice of termination from Landlord to Tenant shall terminate this Lease. The Lease shall terminate on the date specified in the notice of termination. Upon termination of this Lease, Tenant will remain liable to Landlord for damages in an amount equal to Rent and other sums that would have been owing by Tenant under this Lease for the balance of the Term, less the net proceeds, if any, of any reletting of the Premises by Landlord subsequent to the termination, after deducting all of Landlord's Reletting Expenses (as defined below). Landlord shall be entitled to either collect damages from Tenant monthly on the days on which rent or other amounts would have been payable under the Lease, or alternatively, Landlord may accelerate Tenant's obligations under the Lease and recover from Tenant: (i) unpaid rent which had been earned at the time of termination; (ii) the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of rent loss that Tenant proves could reasonably have been avoided; (iii) the amount by which the unpaid rent for the balance of the term of the Lease after the time of award exceeds the amount of rent loss that Tenant proves could reasonably be avoided (discounting such amount by the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus 1%); and (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under the Lease, or which in the ordinary course would be likely to result from the Event of Default, including without limitation Reletting Expenses described below.
  - b. Re-Entry and Reletting. Landlord may continue this Lease in full force and effect, and without demand or notice, re-enter and take possession of the Premises or any part thereof, expel the Tenant from the Premises and anyone claiming through or under the Tenant, and remove the personal property of either. Landlord may relet the Premises, or any part of them, in Landlord's or Tenant's name for the account of Tenant, for such period of time and at such other terms and conditions as Landlord, in its discretion, may determine. Landlord may collect and receive the rents for the Premises. To the fullest extent permitted by

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> Form: MT NNN Rev 9/2024

Multi-Tenant NNN Lease Page 14 of 29

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

law, the proceeds of any reletting shall be applied: first, to pay Landlord all Reletting Expenses (defined below); second, to pay any indebtedness of Tenant to Landlord other than rent; third, to the rent due and unpaid hereunder; and fourth, the residue, if any, shall be held by Landlord and applied in payment of other or future obligations of Tenant to Landlord as the same may become due and payable, and Tenant shall not be entitled to receive any portion of such revenue. Re-entry or taking possession of the Premises by Landlord under this Section shall not be construed as an election on Landlord's part to terminate this Lease, unless a notice of termination is given to Tenant. Landlord reserves the right following any re-entry or reletting, or both, under this Section to exercise its right to terminate the Lease. Tenant will pay Landlord Rent and other sums which would be payable under this Lease if repossession had not occurred, less the net proceeds, if any, after reletting the Premises and after deducting Landlord's Reletting Expenses. "Reletting Expenses" is defined to include all expenses incurred by Landlord in connection with reletting the Premises, including without limitation, all repossession costs, brokerage commissions and costs for securing new tenants, attorneys' fees, remodeling and repair costs, costs for removing persons or property, costs for storing Tenant's property and equipment, and costs of tenant improvements and rent concessions granted by Landlord to any new Tenant, prorated over the life of the new lease.

- c. Waiver of Redemption Rights. Tenant, for itself, and on behalf of any and all persons claiming through or under Tenant, including creditors of all kinds, hereby waives and surrenders all rights and privileges which they may have under any present or future law, to redeem the Premises or to have a continuance of this Lease for the Term, or any extension thereof.
- d. Nonpayment of Additional Rent. All costs which Tenant is obligated to pay to Landlord pursuant to this Lease shall in the event of nonpayment be treated as if they were payments of Rent, and Landlord shall have the same rights it has with respect to nonpayment of Rent.
- e. Failure to Remove Property. If Tenant fails to remove any of its property from the Premises at Landlord's request following an uncured Event of Default, Landlord may, at its option, remove and store the property at Tenant's expense and risk. If Tenant does not pay the storage cost within five (5) days of Landlord's request, Landlord may, at its option, have any or all of such property sold at public or private sale (and Landlord may become a purchaser at such sale), in such manner as Landlord deems proper, without notice to Tenant. Landlord shall apply the proceeds of such sale: (i) to the expense of such sale, including reasonable attorneys' fees actually incurred; (ii) to the payment of the costs or charges for storing such property; (iii) to the payment of any other sums of money which may then be or thereafter become due Landlord from Tenant under any of the terms hereof; and (iv) the balance, if any, to Tenant. Nothing in this Section shall limit Landlord's right to sell Tenant's personal property as permitted by law or to foreclose Landlord's lien for unpaid rent, if any.
- 23. MORTGAGE SUBORDINATION AND ATTORNMENT. This Lease shall automatically be subordinate to any mortgage or deed of trust created by Landlord which is now existing or hereafter placed upon the Premises including any advances, interest, modifications, renewals, replacements or extensions ("Landlord's Mortgage"). Tenant shall attorn to the holder of any Landlord's Mortgage or any party acquiring the Premises at any sale or other proceeding under any Landlord's Mortgage provided the acquiring party assumes the obligations of Landlord under this Lease. Tenant shall promptly and in no event later than 15 days after request execute, acknowledge and deliver documents which the holder of any Landlord's Mortgage may reasonably require as further evidence of this subordination and attornment. Notwithstanding the foregoing, Tenant's obligations under this Section to subordinate in the future are conditioned on the holder of each Landlord's Mortgage and each party acquiring the Premises at any sale or other proceeding under any such Landlord's Mortgage not disturbing Tenant's occupancy and other rights under this Lease, so long as no uncured Event of Default by Tenant exists.
- 24. NON-WAIVER. Landlord's waiver of any breach of any provision contained in this Lease shall not be deemed to be a waiver of the same provision for subsequent acts of Tenant. The acceptance by Landlord of Rent or



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Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 15 of 29

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

other amounts due by Tenant hereunder shall not be deemed to be a waiver of any previous breach by Tenant.

- 25. HOLDOVER. If Tenant shall, without the written consent of Landlord, remain in possession of the Premises and fail to return them to Landlord after the expiration or termination of this Lease, the tenancy shall be a holdover tenancy at sufference, which may be terminated according to Washington law. During such tenancy, Tenant agrees to pay to Landlord 150% of the rate of rental last payable under this Lease, unless a different rate is agreed upon by Landlord. All other terms of the Lease shall remain in effect other than any options to extend the Term. Tenant acknowledges and agrees that this Section does not grant any right to Tenant to holdover, and that Tenant may also be liable to Landlord for any and all damages or expenses which Landlord may have to incur as a result of Tenant's holdover.
- 26. **NOTICES.** All notices under this Lease shall be in writing and effective (i) when delivered in person or via overnight courier to the other party, or (ii) three (3) days after being sent by registered or certified mail to the other party at the address set forth in Section 1. The addresses for notices and payment of rent set forth in Section 1 may be modified by either party only by written notice delivered in conformance with this Section.
- 27. COSTS AND ATTORNEYS' FEES. If Tenant or Landlord engage the services of an attorney to collect monies due or to bring any action for any relief against the other, declaratory or otherwise, arising out of this Lease, including any suit by Landlord for the recovery of Rent or other payments, or possession of the Premises, the losing party shall pay the prevailing party a reasonable sum for attorneys' fees in such action, whether in mediation or arbitration, at trial, on appeal, or in any bankruptcy proceeding.
- 28. ESTOPPEL CERTIFICATES. Tenant shall, from time to time, upon written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement specifying the following, subject to any modifications necessary to make such statements true and complete: (i) the total rentable square footage of the Premises; (ii) the date the Term commenced and the date it expires; (iii) the amount of minimum monthly Rent and the date to which such Rent has been paid; (iv) that this Lease is in full force and effect and has not been assigned, modified, supplemented or amended in any way; (v) that this Lease represents the entire agreement between the parties; (vi) that all obligations under this Lease to be performed by either party have been satisfied; (vii) that there are no existing claims, defenses or offsets which the Tenant has against the enforcement of this Lease by Landlord; (viii) the amount of Rent, if any, that Tenant paid in advance; (ix) the amount of security that Tenant deposited with Landlord; (x) if Tenant has sublet all or a portion of the Premises or assigned its interest in the Lease and to whom, (xi) if Tenant has any option to extend the Term of the Lease or option to purchase the Premises; and (xii) such other factual matters concerning the Lease or the Premises as Landlord may reasonably request. Tenant acknowledges and agrees that any statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or assignee of any mortgage or new mortgagee of Landlord's interest in the Premises. If Tenant shall fail to respond within 10 days to Landlord's request for the statement required by this Section, Landlord may provide the statement and Tenant shall be deemed to have admitted the accuracy of the information provided by Landlord.
- 29. TRANSFER OF LANDLORD'S INTEREST. This Lease shall be assignable by Landlord without the consent of Tenant. In the event of any transfer or transfers of Landlord's interest in the Premises, other than a transfer for collateral purposes only, upon the assumption of this Lease by the transferee, Landlord shall be automatically relieved of obligations and liabilities accruing from and after the date of such transfer, including any liability for any retained security deposit or prepaid rent, for which the transferee shall be liable, and Tenant shall attorn to the transferee.
- 30. LANDLORD'S LIABILITY. Notwithstanding anything in this Lease to the contrary, covenants, undertakings and agreements herein made on the part of Landlord are made and intended not as personal covenants, undertakings and agreements for the purpose of binding Landlord personally or the assets of Landlord but



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Form: MT NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 16 of 29

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

are made and intended for the purpose of binding only the Landlord's interest in the Premises, as the same may from time to time be encumbered. In no event shall Landlord or its partners, shareholders, or members, as the case may be, ever be personally liable hereunder.

- 31. RIGHT TO PERFORM. If Tenant shall fail to timely pay any sum or perform any other act on its part to be performed hereunder, Landlord may make any such payment or perform any such other act on Tenant's behalf. Tenant shall, within 10 days of demand, reimburse Landlord for its expenses incurred in making such payment or performance. Landlord shall (in addition to any other right or remedy of Landlord provided by law) have the same rights and remedies in the event of the nonpayment of sums due under this Section as in the case of default by Tenant in the payment of Rent.
- 32. HAZARDOUS MATERIAL. As used herein, the term "Hazardous Material" means any hazardous, dangerous, toxic or harmful substance, material or waste including biomedical waste which is or becomes regulated by any local governmental authority, the State of Washington or the United States Government, due to its potential harm to the health, safety or welfare of humans or the environment. Landlord represents and warrants to Tenant that, to Landlord's actual knowledge without duty of investigation, there is no Hazardous Material on, in, or under the Premises as of the Commencement Date in excess of reportable quantities except as may otherwise have been disclosed to Tenant in writing before the execution of this Lease. If there is any Hazardous Material on, in, or under the Premises as of the Commencement Date which has been or thereafter becomes unlawfully released in excess of reportable quantities through no fault of Tenant, then Landlord shall indemnify, defend and hold Tenant harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including without limitation sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees, incurred or suffered by Tenant either during or after the Term as the result of such contamination.

Tenant shall not cause or permit any Hazardous Material to be brought upon, kept, or used in or about, or disposed of on the Premises or the Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, except with Landlord's prior consent (except in de minimis quantities typical of the Permitted Use, such as in office supplies and household cleansers) and then only upon strict compliance with all applicable federal, state and local laws, regulations, codes, ordinances, and product labels. If Tenant breaches the obligations stated in the preceding sentence. then Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including, without limitation, diminution in the value of the Premises or the Property; damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises or the Property, or elsewhere; damages arising from any adverse impact on marketing of space at the Premises or the Property; and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees incurred or suffered by Landlord either during or after the Term. These indemnifications by Landlord and Tenant include, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work, whether or not required by any federal, state or local governmental agency or political subdivision, because of Hazardous Material present in the Premises, or in soil or ground water on or under the Premises. Tenant shall immediately notify Landlord of any inquiry, investigation or notice that Tenant may receive from any third party regarding the actual or suspected presence of Hazardous Material on the Premises.

Without limiting the foregoing, if the presence of any Hazardous Material brought upon, kept or used in or about the Premises or the Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, results in any unlawful release of any Hazardous Material on the Premises or the Property or any adjacent property, Tenant shall promptly take all actions, at its sole expense, as are necessary to return the Premises or the Property or such adjacent property to the condition existing prior to the release of any such Hazardous Material; provided that Landlord's approval of such actions shall first be obtained, which approval may be withheld at Landlord's sole discretion. The provisions of this Section shall survive expiration or earlier termination of this Lease.

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- QUIET ENJOYMENT. Provided Tenant pays Rent and performs all of its obligations in this Lease, Tenant's
  possession of the Premises will not be disturbed by Landlord or anyone claiming by, through or under
  Landlord.
- 34. **MERGER.** The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger and shall, at the option of Landlord, terminate all or any existing subtenancies or may, at the option of Landlord, operate as an assignment to Landlord of any or all of such subtenancies.

#### 35. GENERAL.

- a. Heirs and Assigns. This Lease shall apply to and be binding upon Landlord and Tenant and their respective heirs, executors, administrators, successors and assigns.
- b. Brokers' Fees. Tenant represents and warrants to Landlord that except for Tenant's Broker, if any, described or disclosed in Section 37 of this Lease, it has not engaged any broker, finder or other person who would be entitled to any commission or fees for the negotiation, execution or delivery of this Lease and shall indemnify and hold harmless Landlord against any loss, cost, liability or expense incurred by Landlord as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Tenant. Landlord represents and warrants to Tenant that except for Landlord's Broker, if any, described or disclosed in Section 37 of this Lease, it has not engaged any broker, finder or other person who would be entitled to any commission or fees for the negotiation, execution or delivery of this Lease and shall indemnify and hold harmless Tenant against any loss, cost, liability or expense incurred by Tenant as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Landlord.
- c. Entire Agreement. This Lease contains all of the covenants and agreements between Landlord and Tenant relating to the Premises. No prior or contemporaneous agreements or understandings pertaining to the Lease shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or amended except in writing, signed by Landlord and Tenant.
- d. Severability. Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision of this Lease.
- e. Force Majeure. Time periods for either party's performance under any provisions of this Lease (excluding payment of Rent) shall be extended for periods of time during which the party's performance is prevented due to circumstances beyond such party's control, including without limitation, fires, floods, earthquakes, lockouts, strikes, embargoes, governmental regulations, acts of God, public enemy, war or other strife; provided in no event shall any of the foregoing events operate to extend the Term of this Lease.
- f. Governing Law. This Lease shall be governed by and construed in accordance with the laws of the State of Washington.
- g. Memorandum of Lease. Neither this Lease nor any memorandum or "short form" thereof shall be recorded without Landlord's prior consent.
- h. Submission of Lease Form Not an Offer. One party's submission of this Lease to the other for review shall not constitute an offer to lease the Premises. This Lease shall not become effective and binding upon Landlord and Tenant until it has been fully executed by both parties.
- i. No Light, Air or View Easement. Tenant has not been granted an easement or other right for light, air or

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

view to or from the Premises. Any diminution or shutting off of light, air or view by any structure which may be erected on or adjacent to the Building shall in no way affect this Lease or the obligations of Tenant hereunder or impose any liability on Landlord.

- j. Authority of Parties. Each party to this Lease represents and warrants to the other that the person executing this Lease on behalf of such party has the authority to enter into this Lease on behalf of such party, that the execution and delivery of this Lease has been duly authorized, and that upon such execution and delivery, this Lease shall be binding upon and enforceable against such party.
- k. Time. "Day" as used herein means a calendar day and "business day" means any day on which commercial banks are generally open for business in the state where the Premises are situated. Any period of time which would otherwise end on a non-business day shall be extended to the next following business day. Time is of the essence of this Lease.
- 36. **EXHIBITS AND RIDERS.** The following exhibits and riders are made a part of this Lease, and the terms thereof shall control over any inconsistent provision in the sections of this Lease:

Exhibit A: Floor Plan Outline of the Premises Exhibit B: Legal Description of the Property Exhibit C: Work Letter Exhibit D: Equipment List CHECK THE BOX FOR ANY OF THE FOLLOWING THAT WILL APPLY. CAPITALIZED TERMS USED IN THE RIDERS SHALL HAVE THE MEANING GIVEN TO THEM IN THE LEASE.
<ul> <li>☒ Rent Rider</li> <li>☐ Arbitration Rider</li> <li>☐ Letter of Credit Rider</li> <li>☒ Guaranty of Tenant's Lease Obligations Rider</li> <li>☒ Parking Rider</li> <li>☒ Option to Extend Rider</li> <li>☐ Rules and Regulations</li> <li>☒ Addendum</li> </ul>
AGENCY DISCLOSURE. Landlord is represented by Gabrielle Balolia and Keith Cook (insert the name of

### 38. COMPENSATION DISCLOSURE AND AGREEMENT.

_	The state of the s
a.	Compensation to Landlord's Brokerage Firm. If Landlord has not entered into a listing agreement (or
	other
	compensation agreement with Landlord's Brokerage Firm), Landlord agrees to pay compensation to
	Landlord's Brokerage Firm (as identified in the Agency Disclosure paragraph above) as follows: Amoun
	Equal to \$4,000
	Landlord's Brokerage Firm I shall I shall not (shall not if not filled in) he entitled to compensation und

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Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 19 of 29

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

	the extension by Tenant of the Term pursuant to any right reserved to Tenant under the Lease calculate   ☐ as provided above or ☐ as follows (if no box is checked, as provided above). Landlord's  ☐ Brokerage Firm ☐ shall ☐ shall not (shall not if not filled in) be entitled to compensation upon any  expansion of Premises pursuant to any right reserved to Tenant under the Lease, calculated ☐ as  provided above or ☐ as follows (if no box is checked, as provided above).	:d
	With respect to any compensation earned upon execution of this Lease or pursuant to any expansion of the Premises, Landlord shall pay one-half upon execution of the Lease or any amendment/addenda thereto expanding the Premises, and one-half upon occupancy of the Premises by Tenant. With respect any compensation earned upon extension of the Term of this Lease, Landlord shall pay one-half upon execution of any amendment/addenda to the Lease extending the Term and one-half upon the commencement date of such extended term.	
	If any other lease or sale is entered into between Landlord and Tenant pursuant to a right reserved to Tenant under the Lease, Landlord   shall   shall not (shall not if not filled in) pay additional compensation according to any commission agreement or, in the absence of one, according to the compensation schedule of Landlord's Broker in effect as of the execution of this Lease. Landlord's successor shall be obligated to pay any unpaid compensation upon any transfer of this Lease and any such transfer shall not release the transferor from liability to pay such compensation.	
	b. Compensation to Tenant's Brokerage Firm.	
	i. <u>Compensation from Landlord</u> .	
	a. Landlord's offer of compensation, if any:	
	b. Amount to be paid by Landlord, if any:	
	c. The compensation to be paid to Tenant's Brokerage Firm by Landlord shall be paid upon	_
	ii. Compensation from Landlord's Brokerage Firm.	
	a. Landlord's Brokerage Firm's offer of compensation, if any:	
	b. Amount to be paid by Landlord's Brokerage Firm, if any:	
	c. The compensation to be paid to Tenant's Brokerage Firm by Landlord's Brokerage Firm shall be paid within five (5) days after receipt by Landlord's Brokerage Firm.	<b>;</b>
39.	BROKER PROVISIONS.	
	LANDLORD'S BROKER, TENANT'S BROKER AND THEIR FIRMS HAVE MADE NO REPRESENTATION OR WARRANTIES CONCERNING THE PREMISES; THE MEANING OF THE TERMS AND CONDITIONS OF THIS LEASE; LANDLORD'S OR TENANT'S FINANCIAL STANDING; ZONING; COMPLIANCE OF THE PREMISES WITH APPLICABLE LAWS; SERVICE OR CAPACITY OF UTILITIES; OPERATING COSTS; CHAZARDOUS MATERIALS. LANDLORD AND TENANT ARE EACH ADVISED TO SEEK INDEPENDENT LEGAL ADVICE ON THESE AND OTHER MATTERS ARISING UNDER THIS LEASE.	S IE OR

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



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Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 20 of 29

### **LEASE AGREEMENT**

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

KXA Estates, L

Member, KXA Estates, LLC ITS:

MexiCraves LLC

Trinidad Sahagun BY:

Sole Member



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

Note: Acknowledgment is required only if the lease or a memorandum thereof will be recorded.

STATE OF WASHINGTON
COUNTY OF Skagit
This record was acknowledged before me on September 11th, 2025, by Sanagun as
Sole Member of Mexicraves, LC.
min Merca Merca More
Notary Public for the State of Washington
NOTARY My commission expires: 2-27-2026
Notary Public for the State of Washington  NOTARY  PUBLIC  PUBLIC  NOTARY  NOT
STATE OF WASHINGTON WASHINGTON
COUNTY OF
This record was acknowledged before me ona20, byas
of
Notary Public for the State of Washington
My commission expires:
My commission expires:



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Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 22 of 29

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

Note: Acknowledgment is required only if the lease or a memorandum thereof will be recorded.

STATE OF WASHINGTON

COUNTY OF Skagt

This record was acknowledged before me on September 11th, 2035 by Bonni e Born as Signing Member of Kxa Estates, LC.

Notary Public for the State of Washington

My commission expires: 2-37-3036

Notary Public for the State of Washington

Notary Public for the State of Washington

Notary Public for the State of Washington

My commission expires:



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Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 23 of 29

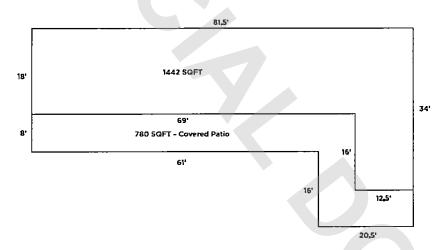
#### LEASE AGREEMENT (Multi-Tenant - Triple Net (NNN) Lease)

#### **EXHIBIT A**

[Outline of the Premises]

#### 14969 W Bow Hill Road

Ground Floor



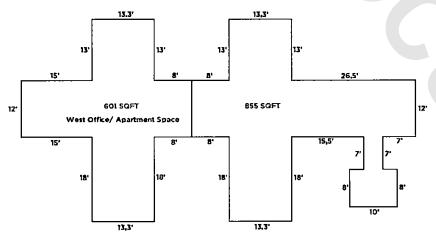
Entire First floor

Upstairs: Use of unfinished

space

Exterior: Exclusive use of Covered Patio Space







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Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 24 of 29

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

#### **EXHIBIT B**

[Legal Description of the Property]

This legal description is taken from the last vesting document of record

STATUTORY WARRANTY DEED AF# 202111050093

Address: 14969 West Bow Hill Road, Bow WA 982832

Legal Description:

Parcel No. 4, of that Boundary Line Adjustment Deed recorded July 14, 2021 under Auditor's File No. 202107140035, records of Skagit County, Washington, fully described within Exhibit "E" of said deed and depicted at 'Exhibit F-2' of said deed; being a portion of Government Lot 8, Section 33, Township 36 North, Range 3 East, W.M.,

Situated in Skagit County, Washington.

Assessor's Tax Parcel No: P48583/360333-0-045-0003



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Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 25 of 29

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

#### **EXHIBIT C**

[Work Letter]

#### **CHECK IF APPLICABLE:**

- 1. ☐ Improvements to be Completed by Landlord
  - A. <a href="Performance">Performance of Improvements</a>. Subject to the terms and conditions of this Lease and any Improvement Allowance provided herein, Landlord's obligations to improve the Premises shall be limited to the work ("Landlord's Work") described below. All other work shall be performed by Tenant at its sole expense or, if performed by Landlord, shall be promptly reimbursed by Tenant. Landlord's Work shall be deemed to be "substantially complete" on the date that Landlord's notifies Tenant that Landlord's Work is complete, except for punch list items that do not impair the use or operations thereof, would not prevent Tenant from occupancy and/or performing Tenant's Work, and except for that portion of Landlord's Work, if any, which cannot be feasibly performed before Tenant completes Tenant's Work, fixturing, or decorating.

The work to be done by Landlord in satisfying its obligation to complete Landlord's Work under the Lease shall be limited to the following (check one):

$\square$ As identified below (check and describe all that apply);		
☐FLOOR: ☐WALLS: ☐ CEILING: ☐ LIGHTING: ☐ WASHROOM(S): ☐ ELECTRICAL: ☐ HVAC: ☐ OTHER:		
As mutually agreed upon between Landlord and Tenant as follows:		

faith to adopt a mutually acceptable Preliminary Landlord Plan.

a. Witkin 10 days ((10) days if not filled in) after mutual acceptance of the Lease, Tenant shall prepare and submit for Landlord's review a preliminary sketch of the improvements to be performed by Landlord ("Preliminary Landlord Plan"). Landlord and Tenant shall cooperate in good

b. Upon Landlord's approval of the Preliminary Landlord Plan Landlord shall promptly prepare (or cause to be prepared) construction documents (i.e., those plans used for submittal to the appropriate governmental bodies for all necessary permits and approvals for Landlord's Work, if any) for Tenant's review and approval, which approval shall not be unreasonably withheld, conditioned or delayed, The construction documents, once approved, shall then constitute

"Landlord's Improvement Plans."

c. Landlord shall submit the Landlord's Improvement Plans to the appropriate governmental body for plan checking and issuance of necessary permits and approvals, as applicable. Landlord and Tenant shall cooperate and use commercially reasonable efforts to cause to be made any changes in the Landlord's Improvement Plans necessary to obtain such permits and approvals; provided, however, any costs and expenses resulting from the foregoing changes to Landlord's Wark that exceed the Improvement Allowance shall be borne at Tenant's sole cost and expense.



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Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 26 of 29

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

B. Defects in Landlord's Work. If Tenant fails to notify Landlord of any defects in the Landlord's Work within 30 days of delivery of possession of the Premises to Tenant, Tenant shall be deemed to have accepted the Premises in their then-existing condition. If Tenant discovers any major defects in the Landlord's Work during this 30-day period that would prevent Tenant from using the Premises for the Permitted Use, Tenant shall notify Landlord and the Commencement Date shall be delayed until after Landlord has notified Tenant that Landlord has corrected the major defects and Tenant has had five (5) days to inspect and approve the Premises. The Commencement Date shall not be delayed if Tenant's inspection reveals minor defects in the Landlord's Work that will not prevent Tenant from using the Premises for the Permitted Use. Tenant shall prepare a punch list of all minor defects in Landlord's Work and provide the punch list to Landlord, which Landlord shall promptly correct.

#### 2. Milmprovements to be Completed by Tenant

A. Performance of Improvements. Subject to the terms and conditions of the Lease and any Improvement Allowance provided herein, Tenant shall complete, at its sole cost and expense, the work identified in the Tenant Improvement Plans (as such term is defined below) adopted by Landlord and Tenant in accordance with the provisions below ("Tenant's Work"). Tenant's Work shall be performed lien free and in a workmanlike manner, without interference with other work, if any, being done in the Premises or Property, including any of Landlord's Work, and in compliance with all laws and reasonable rules promulgated from time to time by Landlord, its property manager, architect, and contractors.

The work to be done by Tenant in satisfying its obligation to complete Tenant's Work under the Lease shall be limited to the following (check one):

□FLOOR:
□WALLS:
□ CEILING
□ LIGHTING:
□ WASHROOM(S):
☑ ELECTRICAL: If any Electrical Work is Needed, Tenant must use Born Electric only.
□HVAC:
☑ OTHER: Tenant may only improve first floor, with Lessor's Permission in Advance.

☒ As mutually agreed upon between Landlord and Tenant as follows:

As identified below (check and describe all that apply);

- a. Within 10 days ((10) days if not filled in) after mutual acceptance of the Lease, Tenant shall prepare and submit for Landlord's review a preliminary sketch of the Tenant Improvements ("Preliminary Tenant Plan"). Landlord and Tenant shall cooperate in good faith to adopt a mutually acceptable Preliminary Plan.
- b. Upon approval of the Preliminary Tenant Plan by Landlord, Tenant shall promptly prepare construction documents (i.e., those plans used for submittal to the appropriate governmental bodies for all necessary permits and approvals for the Tenant's Work, if any) for Landlord's review and approval. The construction documents, once approved, shall then constitute the "Tenant Improvements Plans."
- c. Upon approval by Landlord, Tenant shall submit the Tenant Improvements Plans to the appropriate governmental body for plan checking and issuance of necessary permits and approvals. Tenant, with Landlord's approval, shall cause to be made any changes in the Tenant



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Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 27 of 29

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

Improvements Plans necessary to obtain such permits and approvals.

- d. Landlord makes no warranty or representation of any type or nature with respect to the adequacy or sufficiency of the Tenant Improvements Plans for any purpose. Landlord makes no warranty or representation of any type or nature with respect to the quality, suitability, or ability of contractor or the quality of the work or materials supplied or performed with respect to the Tenant Improvements by contractor, the subcontractors, Tenant's agents, or any other person or entity.
- B. <u>General Requirements</u>. Tenant shall submit to Landlord, prior to the commencement of the construction of Tenant's Work, the following information for Landlord's review and approval (check all that apply):
  - ☑ The names, contact names, addresses, and license numbers of all general contractors and subcontractors Tenant intends to use in the construction of Tenant's Work.
  - 🖾 A reasonably detailed schedule for Tenant's performance of Tenant's Work (including, without limitation, the date on which Tenant's Work will commence, the estimated date of completion of Tenant's Work, and the date on which Tenant expects to open for business in the Premises).
  - ☑ Evidence of insurance as required in the Lease and any other insurance usual and customary for performance of Tenant's Work and requested by Landlord.
  - ☑ Copies of all required governmental permits.
- C. <u>Contractor Qualifications</u>. All contractors and subcontractors to perform Tenant's Work shall be licensed contractors, capable of performing quality workmanship and working in harmony with Landlord's general contractor in the Building, if any. Upon notice from Landlord, Tenant shall stop using (or cause contractor or any subcontractor to stop using) any person or entity disturbing labor harmony with any work force or trade engaged in performing Tenant's Work or other work, labor, or services in or about the Building. All work shall be coordinated with any on-going construction work on the Building. Landlord shall have the right to disapprove, in Landlord's reasonable discretion, any contractor or subcontractor which Tenant desires to engage for Tenant's Work.

Provided there is no uncured Event of Default by Tenant under the Lease, upon completion of Landlord's Work

#### 3. Improvement Allowance

costs and expenses associated with improvements to the Premises in accordance with the following (check one):	
□\$ per rentable square foot of the Premises. The Improvement Allowance shall be used only for (choose one): □ Landlord's Work, or □ Tenant's Work, excepting If costs associated with completing Tenant's Work exceed the Improvement Allowance, or if any costs of Tenant's Work are not to be paid out of the Improvement Allowance, then the excess or excluded amount shall be paid directly by Tenant.	
□ None; Tenant shall be obligated to pay all costs, expenses and fees associated with completing the Tenant's Work in accordance with the Tenant Improvement Plans.	
□ None; Landlord shall be obligated to pay all costs, expenses and fees associated with completing the Landlord's Work in accordance with the Landlord Improvement Plans, however, excepting any costs related to Tenants' furniture, cabling, fixtures and equipment, Signage, design services, and, and in no event in an amount exceeding \$	



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Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 28 of 29

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

4. X Removal of Improvements/Surrender. Tenant's Work shall (check	cone):
☑ become the property of Landlord ☐ be removed by Tenant at its sole cost and expense	
upon the expiration or earlier termination of the Lease Term:	



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Form: MT\_NNN Multi-Tenant NNN Lease Rev. 9/2024 Page 29 of 29

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

### **Exhibit D - Equipment List**

Landlord shall provide certain equipment with the Premises ("Equipment"), as listed below or otherwise delivered at the commencement of the Lease. Tenant acknowledges receipt of the Equipment and agrees to use it in a safe, careful, and proper manner. Tenant, at Tenant's sole cost and expense, shall be responsible for the care, maintenance, servicing, and repair of the Equipment so as to keep it in good condition and working order during the Term of this Lease. Tenant shall promptly make all necessary repairs or replacements, whether due to ordinary wear and tear, misuse, or otherwise, except to the extent caused by Landlord's gross negligence or intentional misconduct. Upon expiration or earlier termination of this Lease, Tenant shall return the Equipment to Landlord in the same condition as received, reasonable wear and tear excepted.

1000 gallon smoker
Vantco warmer cabinet
Auto fryer
48" true fridge
Advantco freezer
Frigidaire freezer
True beer refrigerator
48" advantco fridge
Ice machine with bin
Prep sandwich fridge
Hot well table 4x5
Alto sham double warmer/oven
2 mini alto sham warmers/ovens
2 rolling cart

3 60" Prep Tables

3 bay sink
Prep single sink
Mop sink
Hand-wash sink
Miscellaneous food prep equipment
5 wire racks
Wire shelving
18 bar seats
5 booths
7 trash cans
22 chairs
3 high chairs
6 tables
1 long table

4 patio heaters with tanks

INITIALS:LANDLORD DATE: 9/1/25 INITIALS:TENANT TOS DATE: 9/1/25 TENANT DATE: 9/1/25



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Form: RR Rent Rider Rev. 9/2020 Page 1 of 2

#### **RENT RIDER**

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New text inserted by licensee indicated by small capital letters.			
This Rent Rider ("Rider") is a part of and incorporated by this reference into that certain Lease Agreement dated [///, 20 25 ("Lease") between KXA Estates, LLC , a(n) Washington State Limited Liability Company ("Landlord") and MexiCraves, LLC , a(n) Washington State Limited Liability Company ("Tenant"), as the same may be amended, concerning the commercial space commonly known as ("Premises"), which Premises are part of the real property located at 14969 W Bow Hill Rd , , Bow , WA 98232 and commonly known as ("Property").  1. BASE MONTHLY RENT SCHEDULE. Tenant shall pay to Landlord base monthly rent during the initial Lease Term according to the following schedule:			
Lease Year (Stated in Years or Months)  Months 1 through 12  Months 13 through 24  Months 25 through 36	Base Monthly Rent Amount \$ <u>5,000</u> \$ <u>5,150</u> \$ <u>5,304.50</u> \$ \$ \$		
be increased on the first day of the second year calendar month after the calendar month in which of each year of the Term thereafter (each, an "Ad renewal term(s) unless specifically set forth elsew. The increase shall be determined in accordance Labor, Bureau of Labor Statistics, Revised Const. Cities Average, all items index (Reference Base payable immediately prior to the applicable Adjust the Index published for the date nearest precedin the Index published for the date nearest precedin adjustment is being measured. Upon the calculat new base monthly rent payable hereunder. Within Tenant shall pay to Landlord the amount of any of following the subject Adjustment Date, and shall the next notice of increase from Landlord. If the of the Commencement Date, or if the Index is discontent of a substitute published index which, in I	where in the Lease or set forth in this Rent Rider below). with the increase in the United States Department of umer Price Index for All Urban Consumers (CPI-U): U.S. 1982-84 equal 100)(the "Index"). The base monthly rent strent Date shall be increased by the percentage that up the applicable Adjustment Date has increased over up the first day of the Lease Year from which the ion of each increase, Landlord shall notify Tenant of the ntwenty (20) days of the date of Landlord's notice, deficiency in base rent paid by Tenant for the period thereafter pay the increased base rent until receiving components of the Index are materially changed after intinued during the Lease term, Landlord shall notify Landlord's reasonable discretion, approximates the subsequent adjustments in base monthly rent. In no		
i • · · ·	ent Rider ("Rider") is a part of and incorporated by to a compare the commencial space comm		

INITIALS: LANDLORD TENANT



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Form: RR Rent Rider Rev. 9/2020 Page 2 of 2

#### **RENT RIDER**

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[X] ;	3.	<ol> <li>EXTENDED TERM BASE MONTHLY RENT SCHEDUL rent during the Extended Term of the Lease commencin following the Commencement Date of the initial Term, or</li> </ol>	upon (check one): X the date that is 37 months		
		🛮 As set forth in the Option to Extend Rider attached to	he Lease		
		☐ BASE MONTHLY RENT SCHEDULE. Tenant shall pay to Landlord base monthly rent during the Extended Term of the Lease according to the following schedule:			
		Lease Year (Stated in Years or Months) Base	Monthly Rent Amount		
		\$			
		<u> </u>			
		\$	<del></del>		
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		Date"). The increase shall be increased on the first day of tand on the first day of each year of the Extended Term of Date"). The increase shall be determined in accordance of Labor, Bureau of Labor Statistics, Consumer Price Inc Average, all items index (Reference Base 1982-84 equal payable immediately prior to the applicable Adjustment Index published for the date nearest preceding the application of each increase monthly rent payable hereunder. Within twenty (20) days to Landlord the amount of any deficiency in base rent payable of the Extended Term, or if the Index is discontinued to the Extended Term, or if the Index is discontinued and shall use the substitute index to make subsequent a base monthly rent for the Extended Term be decreased	the first year of the Extended Term of the Lease of the Lease thereafter (each, an "Adjustment with the increase in the United States Department (ex for All Urban Consumers (CPI-U): U.S. Cities (100) (the "Index"). The base monthly rent (bate shall be increased by the percentage that the cable Adjustment Date has increased over the aay of the Lease Year from which the adjustment e, Landlord shall notify Tenant of the new base of the date of Landlord's notice, Tenant shall pay id by Tenant for the period following the subject base rent until receiving the next notice of the materially changed after the Commencement diduring the Extended Term, Landlord shall notify its reasonable discretion, approximates the Index, djustments in base monthly rent. In no event shall		

INITIALS: LANDLORD DATE 9/11/25 TENANT TOS DATE 9/11/25 TENANT DATE

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> Form: OR Option to Extend Rider Rev. 2/2024 Page 1 of 2

This Option to Extend Rider ("Rider") is made part of and incorporated by this reference into that certain Lease
Agreement dated 9/11, , 20 25 ("Lease") between KXA Estates, LLC, a(n) Washington State Limited Liability
Company ("Landlord") and MexiCraves, LLC, a(n) Washington State Limited Liability Company ("Tenant"), as the
same may be amended, concerning the leased commercial space commonly known as ("Premises"),
which Premises are part of the real property located at 14969 W Bow Hill Rd, Bow, WA 98232 and
commonly known as ("Property").

**OPTION TO EXTEND RIDER** 

- 1. Extension of Lease. Provided Tenant is not in default of any provision of the Lease beyond the applicable cure period at the time that Tenant exercises the right to extend the term of the Lease or at the time an Extended Term defined below begins, Tenant shall have One (zero, if not completed) successive options to extend the term of the Lease for 5 years each (each, an "Extended Term"). The term of the Lease shall be extended for the length of the Extended Term on the same terms, conditions and covenants set forth in the Lease, except that (i) any periods of free or abated rent periods, tenant improvement allowances or other concessions that may have been granted to Tenant at the beginning of the initial term hereof shall be of no further for or effect during any Extended Term; and (ii) after exercise of Tenant's final Extended Term option, there shall be no further term extension or renewal options.
- Notice. To exercise its option to extend the term of the Lease, Tenant must deliver written notice of its election
  to extend the term of the Lease to Landlord not more than two hundred forty (240) days and not less than one
  hundred eighty (180) days prior to the expiration date of the then-current Lease term. Time is of the essence of
  this Rider.
- 3. Monthly Rent. Check one: (Market Rental Rate if no box is checked)
  - ☐ Market Rental Rate: Upon Tenant's exercise of an option to extend the term of the Lease, Landlord and Tenant shall make a good faith effort to determine and agree on the Base Rent for the Premises for the Extended Term, which shall be the fair market rental rate thereof, provided that in no event shall the Base Rent for the Extended Term be less than the base rental rate payable in the last full calendar month of the immediately-preceding term.
  - a. Failure to Agree on Rent. If Landlord and Tenant are unable to agree on the fair market rental rate for the Premises for the applicable Extended Term within thirty (30) days after Tenant delivers notice of its election to exercise its option to extend, the parties shall then have ten (10) days to mutually select or appoint one real estate appraiser to determine the fair market rental rate for the Premises. Each appraiser selected or appointed pursuant to this Rider shall have received an MAI designation from the Appraisal Institute with at least ten (10) years of experience appraising commercial properties in the commercial leasing market in which the Premises are located, or equivalent experience in the commercial leasing industry. The appraiser appointed shall determine the fair market rental rate for the Premises within twenty (20) days of appointment, which determination shall be final, conclusive, and binding upon both Landlord and Tenant, and Base Rent shall be adjusted accordingly for the extended term. The appraiser's fees and expenses shall be shared equally between the parties.
  - b. Failure to Appoint One Appraiser. If Landlord and Tenant cannot mutually agree upon an appraiser, then either party may give the other party written notice that it has selected and appointed an appraiser, complete with the name, address, and other identifying information about the appraiser. The party receiving such notice shall then have ten (10) days to select and appoint its own appraiser and respond by giving written notice to the other party, containing the name, address, and other identifying information about the appraiser. If, however, the responding party fails to select and appoint an appraiser and give

INITIALS: LANDLORD	2513	DATE	9/11/25 TENANT	Tas DATE	9/11/25
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Form: OR Option to Extend Rider Rev. 2/2024 Page 2 of 2

#### **OPTION TO EXTEND RIDER**

notice to the other party within ten (10) days, the determination of the appraiser first appointed shall be final, conclusive and binding upon both parties, and the Base Rent shall be adjusted accordingly for the applicable Extended Term. The appraiser's fees and expenses shall be shared equally between the parties.

- c. Method of Determining Rent. The appraisers appointed shall proceed to determine the fair market rental rate within twenty (20) days following their appointment. The conclusion of the appraisers shall be final, conclusive and binding upon both Landlord and Tenant. If the appraisers should fail to agree, but the difference in their conclusions as to fair market rental rate is ten percent (10%) or less of the lower of the two appraisals, then the fair market rental ratee shall be deemed to be the average of the two rates, and Base Rent shall be adjusted accordingly for the applicable Extended Term. If the two appraisers should fail to agree on the fair market rental value, and the difference between the two appraisals exceeds ten percent (10%) of the lower of the two appraisals, then the two appraisers shall promptly appoint a third appraiser. If they fail to agree on a third appraiser within ten (10) days after their individual determination of the fair market rental rate, either party may apply to the courts for the county in which the Premises are located, requesting the appointment of the third appraiser. Once appointed, the third appraiser shall promptly determine the fair market rental rate for the Premises. The third appraiser shall then take the average of the two appraisals that are closest in value, which average rate shall be final, conclusive, and binding upon both Landlord and Tenant, and Base Rent shall be adjusted accordingly for the applicable Extended Term. Each party shall pay its own legal fees (if any) and the fees and expenses for its own appraiser. In the event a third appraiser must be appointed, his or her fees and expenses shall be borne equally by the parties.
- ☑ Base Rent for the Extended Term(s) shall be equal to 103% of the Prior Year's Base Rent, with Annual Increases of 3%, or CPI, capped at 4%.
- 4. Conflicts. In the event of any conflicts between the terms of this Option to Extend Rider and the terms of the Lease and/or any Rent Rider, the terms of this Option to Extend Rider shall control.

INITIALS; LANDLORD	7/13	DATE 9/11/25	TENANT TAS	DATE 9/11/25
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Form: PR Parking Rider Rev. 9/2020 Page 1 of 2

PARKING RIDER
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This Parking Rider ("Rider") is made part of and incorporated by this reference into that certain Lease Agreement lated \( \frac{\( f \)}{\( L \)} \), 20\( \frac{25}{\( (\) \)} \) between \( \frac{KXA Estates, LLC}{\( A \)} \), a(n) \( \frac{Washington State Limited Liability Company}{\( (\) \) "Tenant"), as the same nay be amended, concerning the leased commercial space commonly known as (Premises"), which remises are part of the real property located at \( \frac{14969 \( W \) Bow Hill Rd \( \frac{1}{2} \), \( \frac{Bow}{2} \), \( W \) \( \frac{98232}{2} \) and commonly nown as ("Property").
. Tenant's Parking Rights. Tenant's right to park on the Property shall be in accordance with the following check one):
Tenant shall be entitled to use and rent parking stalls on the Property or other parking area designated by Landlord from time to time on a (check one) ☒ reserved, or ☐ unreserved, first-come, first-served (unreserved, if neither box checked) basis at the monthly rate established by Landlord from time to time, plus all applicable taxes, which monthly charge and applicable taxes shall be payable by Tenant as Additional Rent under the Lease. Tenant shall comply with the reasonable rules and regulations which Landlord and/or its parking operator may adopt from time to time for the safe and orderly operation of the parking areas, including without limitation, with respect to any Common Areas as further provided in the Lease. If parking is on a reserved basis, Landlord shall have no obligation to monitor the use of parking spaces designated as reserved for Tenant's use, to tow cars, or to ensure that such parking spaces are available for use by Tenant; provided that Landlord will take reasonable efforts to enforce such reserved parking if Tenant is unable to use and access the same during normal business hours for a period of five (5) consecutive business days, provided further that Landlord shall incur no out of pocket expense in doing so and such lack of parking access shall not constitute a default hereunder. If parking is on an unreserved basis, in no event shall Tenant use more spaces than the number derived by applying Tenant's Pro Rata Share (as defined in the Lease) to the total number of unreserved spaces in the parking area or areas designated by Landlord from time to time. The parking rights granted to Tenant under this Rider are non-assignable and shall automatically be deemed null and void upon any Transfer (as such term is defined in the Lease) of the Lease.
☑ Free Parking. Tenant shall be entitled to share parking on a first-come, first-served basis, in common with other tenants and occupants of the Building and Property in the designated parking areas at no charge. In no event shall Tenant use more spaces than the number derived by applying Tenant's Pro Rata Share (as defined in the Lease) to the total number of unreserved spaces in the parking area or areas designated by Landlord from time to time. Tenant shall comply with the terms of the Lease, this Rider, and any reasonable rules and regulations adopted by Landlord from time to time for the safe and orderly sharing of parking, including without limitation, with respect to any Common Areas.
□ No Parking. Tenant's rights under the Lease do not include the right to park on the Property.
Miscellaneous. For purpose of this Rider, only, the term "Tenant" shall include Tenant and Tenant's imployees, officers, contractors, licensees, agents, and invitees, except as follows: Landlord specifically eserves the right to change the size, configuration, design, layout and all other aspects of the Property's parking acilities at any time and to institute valet parking and Tenant acknowledges and agrees that Landlord may, without incurring any liability to Tenant and without any abatement of Rent under the Lease, from time to time, lose-off or restrict access to the Property's parking facilities for purposes of permitting or facilitating any such

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Form: PR Parking Rider Rev. 9/2020



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construction, alteration or improvements. Tenant's continued right to use the parking spaces is conditioned upon Tenant abiding by all reasonable rules and regulations which are prescribed from time to time for the orderly operation and use of the parking facilities, including any sticker or other identification system established by Landlord, Tenant's reasonable cooperation in ensuring that Tenant's employees, officers, contractors, licensees, agents, and invitees also comply with such rules and regulations, and Tenant not being in default under this Lease.



NO STAKES OR SUBTERRANEAN POLES/ MOUNTS MAY BE USED ANYWHERE ON THE SEPTIC DRAINFIELD AREA.

INITIALS: LANDLORD	7/3	DATE	G/11/25 TENANT TUS	DATE 9/11/25	
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Form: LOR Guaranty Rev. 9/2020 Page 1 of 3

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

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This Guaranty of Tenant's Lease Obligations Rider ("Guaranty") is made by <u>Trinidad Sahagun</u>, a(n) whose address is <u>11247 N Skagit St., Burlington</u>, WA 98233 ("Guarantor"), for the benefit of <u>KXA Estates, LLC</u>, a(n) <u>Washington State Limited Liability Company</u> ("Landlord"), whose address is <u>P.O. Box 279</u>, Bow, WA 98232.

Guarantor hereby agrees as follows:

- Underlying Lease. Concurrently herewith, Landlord and MexiCraves, LLC, a(n) Washington State Limited
   <u>Liability Company</u> ("Tenant"), have entered into that certain Lease Agreement dated \_\_\_\_\_\_, 20 25 ("Lease")
   concerning the leased commercial space commonly known as 14969 W Bow Hill Rd, \_\_\_\_\_\_, Bow, WA
   <u>98232</u> ("Premises").
- 2. Guaranty. Guarantor hereby executes this Guaranty as a material inducement to and in consideration of Landlord entering into the Lease with Tenant. Therefore, Guarantor absolutely, unconditionally and irrevocably guarantees to Landlord and its successors and assigns, without deduction by reason of set-off, defense or counterclaim, (a) the timely and complete payment of all rent and other sums to be paid to Landlord under the Lease, including all attorney's fees, costs and expenses of collection incurred by Landlord in enforcing its rights and remedies under the Lease and this Guaranty, and (b) the timely and complete discharge and performance of each and every other term, covenant, obligation and warranty of Tenant contained in the Lease. If Tenant defaults or breaches the Lease, without further notice or demand from Landlord, Guarantor shall perform Tenant's obligations on Tenant's behalf. This Guaranty shall remain in full force and effect until all the terms, covenants, conditions, and agreements contained in the Lease are fully performed. This Guaranty shall be enforceable against Guarantor without the necessity of any suit or proceeding on the part of Landlord against Tenant or any other party, and Guarantor waives any right to require Landlord to pursue any other remedy in Landlord's power whatsoever. This is a guaranty of payment and performance and not of collection. If there is more than one Guarantor, the term Guarantor, as used herein, shall include all of them; each and every provision of this Guaranty shall be binding on each and every one of the undersigned; they shall be jointly and severally liable hereunder; and Landlord shall have the right to join one or all of them in any proceeding or to proceed against them in any order.
- 3. No Discharge of Guarantor. This Guaranty shall not be discharged and the liability of Guarantor shall in no way be affected by (a) the release or discharge of Tenant in any receivership, bankruptcy or other proceeding; (b) the impairment, limitation or modification of any liability of Tenant to Landlord, or the estate of Tenant in bankruptcy, or of any remedy for the enforcement of Tenant's liability under the Lease or resulting from the operation of any present or future provision of federal or state bankruptcy or insolvency laws or other statute or from the decision in any court; (c) the rejection or disaffirmance of the Lease in any bankruptcy, insolvency, or similar proceeding; (d) the assignment, transfer, or encumbrance of all or any portion of the Tenant's interest in the Lease, the subletting of all or any portion of the Premises, or the granting to any third party of any rights of occupancy of all or any portion of the Premises; (e) waiver of discharge by Landlord of default or future performance by Tenant of any term of the Lease or Guaranty; (f) the exercise, forbearance, or election by Landlord of any of its rights or remedies reserved under the Lease, this Guaranty, or by law; (g) the release by Landlord of any security given to Landlord; or (h) any extension, renewal, amendment, expansion, replacement, novation, or termination of the Lease.
- 4. Notice; Waiver of Defenses. Landlord shall have no obligation to notify Guarantor of any of the events described in Paragraph 3 of this Guaranty, and Guarantor waives any such notice and acknowledges specifically that such waiver includes notice of (a) acceptance of this Guaranty; (b) any event of default under

INITIALS: LANDLORD	733	DATE 9/	11/25	TENANT TAS	DATE 9/11/25	
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Form: LOR Guaranty Rev. 9/2020 Page 2 of 3

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

the Lease or this Guaranty (including proof of notice or demand to Tenant relating to any event of default); (c) opportunity to cure any event of default under the Lease or this Guaranty; (d) presentment and demand for payment or performance; and (e) the existence, creation or incurring of new or additional Lease obligations. Guarantor hereby further waives any and all defenses, rights of subrogation, reimbursement, rights to participate or benefit from any security held by Landlord under the Lease, indemnification, contribution, and any other rights and defenses that are or may become available to it. Until all of the obligations of Tenant set forth in the Lease are fully performed (including without limitation the payment of all rent and other sums required to be paid by Tenant to Landlord), Guarantor shall have no right of subrogation against Tenant by reason of any payments or acts of performance by Guarantor hereunder, and subordinates any liability or indebtedness of Tenant now or hereafter held by Guarantor to the obligations of Tenant to Landlord under the Lease.

- 5. Attorneys' Fees. If either party is required to employ an attorney to enforce or declare its rights hereunder, including in any appeal, bankruptcy or insolvency proceeding involving Tenant or any Guarantor, the prevailing party in any such action shall be entitled to recover its attorneys' fees and costs from the non-prevailing party. Attorneys' fees include, without limitation, attorneys' fees whether or not there a lawsuit is filed, and if there is a lawsuit, any fees and costs for trial and appeals.
- 6. Successors and Assigns. Landlord may assign this Guaranty without the consent of, or notice to, Guarantor, only if Landlord transfers, assigns or otherwise disposes of its interest in the Lease, in which event the benefits of this Guaranty shall inure to the successors and assigns of Landlord. Guarantor's obligations under this Guaranty shall not be assigned by Guarantor and shall be binding upon Guarantor's successors, assigns, heirs, and legal and personal representatives.
- 7. Financial Statements. Guarantor hereby agrees to deliver to Landlord such financial statements of Guarantor as may be requested from time to time by Landlord, and all such financial statements shall be received by Landlord in confidence. Guarantor also agrees upon five (5) business days' request from Landlord to ratify in writing its Guaranty obligations hereunder for the reliance of Landlord, any prospective purchaser of any interest of Landlord in the Lease or Property, and any lender of Landlord.
- 8. Notices. Notice hereunder shall be in writing and shall be effective upon personal service or five (5) days after deposit thereof in the United States Mail, registered or certified delivery, return receipt requested, to the other party at its above address, except that under no circumstances shall Landlord be obligated to give Guarantor any notice not specifically required to be given by Landlord pursuant to this Guaranty. Either party may by notice given as aforesaid designate a different address for notice purposes.
- 9. Governing Law. This Guaranty shall be construed and enforced in accordance with the laws of the State of Washington and any action for enforcement of this Guaranty shall be brought only in the county in which the Premises are situated, provided, however, if Landlord secures in another venue or jurisdiction a judgment or final determination against Tenant with respect to Tenant's default under the Lease and/or the damages to be awarded Landlord for such default, Guarantor shall be bound by such judgment or final determination and shall stipulate to, and otherwise direct the applicable court in the county of Washington in which the Premises are situated to give full faith and credit to such judgment or final determination in any action brought to enforce this Guaranty.

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Form: LOR Guaranty Rev. 9/2020 Page 3 of 3

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Form: LA Lease Addendum Rev. 9/2020 Page 1 of 2

### ADDENDUM TO

CBA LEASES
The following terms are made part of and incorporated by this reference into the Lease Agreement ("Agreement") dated \( \frac{9' \mathbb{k}}{1} \), 20\( \frac{3}{2} \) between KXA Estates, LLC, a(n) \( \frac{1}{2} \) Washington State Limited Liability Company ("Landlord") and \( \frac{1}{2} \) MexiCraves, LLC, a(n) \( \frac{1}{2} \) Washington State Limited Liability Company ("Tenant") concerning the leased commercial premises commonly known as \( \frac{1}{2} \) ("Premises"), which Premises are part of the real property located at \( \frac{14969}{2} \) W Bow Hill Rd \( \frac{1}{2} \), \( \frac{1}{2} \) Bow, WA \( \frac{98232}{2} \) and commonly known as \( \frac{1}{2} \) ("Property").
LANDLORD AND TENANT AGREE AS FOLLOWS:
LANDLORD reserves the right to exclude the West Office; Approximately 601 SQFT. The Base Rent shall be reduced by \$300 per Month if LANDLORD exercises the right to Lease the 601 SQFT Office Space.
As-Is Acceptance: Tenant acknowledges that it has inspected the Premises and accepts them in their "AS-IS, WHERE-IS" condition, including both patent and latent defects, without reliance upon any representation by Landlord.
The Tenant shall be responsible for all Health Department permits needed to operate.
All Tenant Improvements, including the hiring of Contractors, to be Licensed, Bonded, Insured and approved by Lessor 10 Days before any work begins.
Born Electric shall be the only Contractor hired, to do Electrical Work on property, no exceptions.
No Tenant Improvements allowed to the Second Story of the Building.
PARKING: Parking shall be on this Parcel only per Map attached as Exhibit C. Tenant is responsible for parking and repairs to the spaces designated in the Parking Rider. No Parking, Staking or Subterranean Poles/ Mounts on Septic Drain-field Area.
Lease to Commence on October 1st, 2025 OR Upon Notification from Existing Tenant that they have terminated their Lease, dated 10/25/2022.
The Following Clarification is added: Section 8 & 13 - Operating Costs and Repairs and Maintenance: The systems are independent to the premises including;*HVAC, Hot water tank, plumbing, propane, electrical, and all other equipment.
Tenant shall be responsible for maintenance and repair of systems including the parking lot, and any HVAC, plumbing, or electrical systems and equipment serving only the Premises.
The landlord shall not be responsible for repairing structural damage caused by acts of God, human actions, or natural disasters. The landlord is only responsible for repairs resulting from normal wear and tear. Landlord shall
All other terms and conditions of the Agreement remain unchanged and in full force and effect.
INITIALS: Landlord/Lessor: Date 9/11/25 Tenant/Lessee: Tas Date 9/11/25  Landlord/Lessor: Date 9/11/25 Tenant/Lessee: Date



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Form: LA Lease Addendum Rev. 9/2020 Page 2 of 2

#### **ADDENDUM TO CBA LEASES**

be responsible for roof and exterior, not responsible for any foundation upgrades required by any municipality, including but not limited to, water proofing, etcetera.

The systems are independent to the premises including; \*HVAC, Hot water tank, plumbing, propane, electrical, and all other equipment.

Tenant shall, at their sole expense, establish and maintain an annual preventative maintenance contract for all HVAC equipment with a licensed contractor and provide proof of service to Landlord upon request.

#### Section 17 - INSURANCE REVISION:

Tenant shall maintain the following insurance throughout the Lease Term: Commercial General Liability: \$2,000,000 per occurrence/ \$3,000,000 aggregate. Renewal Certificates: Tenant shall provide evidence of coverage and endorsements to Landlord annually, no later than ten (10) days prior to expiration.

#### The Following Clarification is added to the Lease, Section 19. Assignment and Subletting:

As part of Tenant's Business Model, Tenant will be Subleasing out part of the kitchen to other Food Operators. Landlord must be provided, and approve all Subleases prior to Sublet commencement. No Subleases shall be recorded. The Tenant bares all responsibilities including but not limited to: Insurance, Authorities having jurisdiction and any property damage resulting from seblessees.

Tenant shall ensure all sublessees maintain insurance naming both Tenant and Landlord as additional insureds.

Tenant shall remain fully liable for all obligations of this Lease and any damages caused by sublessees.

Tenant shall not Sublease as a Residential Unit at any time.

Tenant is aware that the property is Currently Rented to Brandos BBQ LLC who is anticipating vacating the building at the end of September 2025.

#### Section 8 - Operating Costs

The Operating Costs for 2025 is \$785.60 per Month, and shall be due on the first day of each Month per Section 8(b), and are subject to change per Section 8(c)(iii). Operating Costs for Road Maintenance shall be billed per occurrence.

		to change per Sectior nance shall be billed p				
	ions of the Agreer	nent remain unchanged an	d in full force and effect.			
INITIALS: Landlord/Lessor:	<i>3</i>	ate 9/11/25	Tenant/Lessee: TAS	Date_	9/11/25	
Landlord/Lessor:	<del>D</del>	eate 9/1//25	Tenant/Lessee:	Date		

#### 202509110114 09/11/2025 03:06 PM Page 42 of 42



**RE/MAX Whatcom County, Inc.** 913 Lakeway Dr Bellingham, WA 98229 Phone: 360-647-1313 Fax: 360-671-8022

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Form: LA Lease Addendum Rev. 9/2020 Page 1 of 1

#### **ADDENDUM TO CBA LEASES**

The following terms are made part of and incorporated by this reference into the Lease Agreement ("dated 9/11", 2025 between KXA Estates, LLC, a(n) Washington State Limited Liability Company (and Mexicraves, LLC, a(n) Washington State Limited Liability Company ("Tenant") concerning the commercial premises commonly known as ("Premises"), which Premises are part of the real plocated at 14969 W Bow Hill Rd, Bow, WA 98232 and commonly known as ("Property of the real plocated at 14969 W Bow Hill Rd, Bow, WA 98232 and commonly known as ("Property of the real plocated at 14969 W Bow Hill Rd, Bow, WA 98232 and commonly known as ("Property of the real plocated at 14969 W Bow Hill Rd, Bow, WA 98232 and commonly known as ("Property of the real plocated at 14969 W Bow Hill Rd, Bow, WA 98232 and commonly known as ("Property of the real plocated at 14969 W Bow Hill Rd, Bow, WA 98232 and commonly known as ("Property of the real plocated at 14969 W Bow Hill Rd, Bow, WA 98232 and commonly known as ("Property of the real plocated at 14969 W Bow Hill Rd, Bow, WA 98232 and commonly known as ("Property of the real plocated at 14969 W Bow Hill Rd, Bow, WA 98232 and commonly known as ("Property of the real plocated at 14969 W Bow Hill Rd, Bow, WA 98232 and commonly known as ("Property of the real plocated at 14969 W Bow Hill Rd, Bow, WA 98232 and commonly known as ("Property of the real plocated at 14969 W Bow Hill Rd, Bow, WA 98232 and commonly known as ("Property of the real plocated at 14969 W Bow Hill Rd, Bow, WA 98232 and commonly known as ("Property of the real plocated at 14969 W Bow Hill Rd, Bow, WA 98232 and commonly known as ("Property of the real plocated at 14969 W Bow Hill Rd	"Landlord") leased roperty
LANDLORD AND TENANT AGREE AS FOLLOWS: Clarification to Section 9. Utilities and Services:	
Water - Provided by Blanchard Edison Water Assoc Inc Billed by Provider, separately to Tenant Electricity - Provided by Puget Sound Energy - Billed by Provider, separately to Tenant Propane - Provided by Northwest Propane 360-354-4471 - Billed, by Provider, separately to Tenant Garbage - Provided by Waste Management Skagit - Billed by Provider, separately to Tenant, unless Sewer - Not Provided On-Site Sewage System - Provided by Landlord.	shared.
All other terms and conditions of the Agreement remain unchanged and in full force and effect.	
INITIALS: Landlord/Lessor:  Date 9/11/35 Tenant/Lessee: Tas Date 9/1/	1/25
Landlord/Lessor: DateDate	