

FIRST AMENDMENT TO GROUND LEASE AGREEMENT
BETWEEN
PORT OF SEATTLE
AND
DUKE'S SHILSHOLE BAY CHOWDER HOUSE, LLC
AT
SHILSHOLE BAY MARINA

THIS FIRST AMENDMENT TO GROUND LEASE AGREEMENT made as of _____, 20____, by and between the PORT OF SEATTLE, a Washington municipal corporation, hereinafter called "the Port," and DUKE'S SHILSHOLE BAY CHOWDER HOUSE, LLC, a limited liability company, hereinafter called "Tenant,"

W I T N E S S E T H :

WHEREAS, the parties entered into a ground lease agreement dated May 11, 2017, hereinafter called the "Ground Lease," at Shilshole Bay Marina, Seattle, Washington; and

WHEREAS, the parties now wish to amend the Ground Lease to increase the square footage of the Premises, Property and the Project; and

WHEREAS, the parties now wish to amend the Ground Lease to change the Commencement Date and all sections referencing the Commencement Date as it relates to the start of construction; and

WHEREAS, the parties now wish to amend the Ground Lease to increase the Base Rent during Construction Phase and Post Construction Phase; and

NOW THEREFORE, in consideration of their mutual promises, the parties hereby agree as follows:

1. Section 1.7 of the Ground Lease is hereby deleted in its entirety and replaced with the following:

"1.7. Commencement Date. "Commencement Date" shall mean the date that is the earlier of (i) August 1, 2018, or (ii) the date on which the Port approves Tenant to start construction of the Project on the Property after Tenant has received all required permits and approvals and Tenant has made a written request to the Port to start construction of the Project. The Port shall confirm the Commencement Date in writing to Tenant at the address in Section 1.28 below."

2. Section 1.23 of the Ground Lease is hereby deleted in its entirety and replaced with the following:

"1.23. Project. "Project" shall mean and refer to (i) an approximately six thousand five hundred twenty-two (6,522) square foot restaurant building, including kitchen, seating areas and bar, (ii) an approximately one thousand five hundred (1,500) square foot outdoor, open and seating area, and (iii) all other improvements, fixtures, structures and appurtenances related to either, to be built on the Property by Tenant, the area for all of which is more particularly depicted in Exhibit C-1 hereto."

3. Section 4.1 of the Ground Lease is hereby deleted in its entirety and replaced with the following:

"4.1. Base Rent. Commencing on the Commencement Date, Base Rent for any fractional month shall be prorated based upon the actual number of days in such fractional month. For the period commencing on the Commencement Date and continuing through the Term, the Base Rent shall be payable as follows:

"Construction Phase. Beginning on the Commencement Date, and until either Substantial Completion of the Project or August 1, 2019, whichever is earlier,

Tenant will pay rent equal to THREE THOUSAND TWO HUNDRED SIXTEEN AND NO/100 DOLLARS (\$3,216.00) per month.

Post Construction Phase: Beginning at Substantial Completion of the Project or August 1, 2019, whichever is earlier, and continuing through the Term, Tenant will pay rent equal to TWELVE THOUSAND EIGHT HUNDRED SIXTY-FOUR AND NO/100 DOLLARS (\$12,864.00)"

4. Section 6.1 of the Ground Lease is hereby deleted in its entirety and replaced with the following:

"6.1 Security. Tenant shall, upon execution of this Agreement, obtain, maintain and deliver to the Port a good and sufficient corporate surety company bond, irrevocable stand-by letter of credit, cash deposit or other security in an amount equal to ONE HUNDRED SEVENTY FIVE THOUSAND AND NO/100 (\$175,000.00) (hereinafter referred to as "Security"), to secure Tenant's full performance of this Agreement, including the payment of all fees and other amounts now or hereafter payable to the Port hereunder. The amount, form, provisions and nature of the Security, and the identity of the surety or other obligor thereunder, shall at all times be subject to the Port's approval. The Security shall remain in place at all times throughout the full term of this Agreement and throughout any holdover period. No interest shall be paid on the Security and the Port shall not be required to keep the Security separate from its other accounts. No trust relationship is created with respect to the Security."

5. Section 8.1 of the Ground Lease is hereby deleted in its entirety and replaced with the following:

"8.1. Construction of the Project. Subject to Force Majeure, on or before August 1, 2018, Tenant shall commence the construction of the Project designed for the uses permitted by Section 10. The Project shall be of fireproof construction according to the standards and ratings of the local fire insurance rating organization. It shall be constructed in good and workmanlike manner and in accordance with the Shilshole Bay Marina Renewal and Replacement Design Guidelines, all Legal Requirements, and with the requirements of the foregoing rating organization. Tenant shall obtain all necessary permits, including any discretionary permits. The plans and specifications shall be prepared by a duly qualified architect (and engineer, if necessary) licensed in the State of Washington and employed by Tenant."

6. Section 8.9 of the Ground Lease is hereby deleted in its entirety and replaced with the following:

"8.9. Diligent Prosecution of Construction. After construction is commenced, it shall be prosecuted diligently, in accordance with the Final Plans, in good workmanlike manner and in compliance with all Legal Requirements and pursuant to the conditions of the governmental approvals. Subject only to Force Majeure, Tenant agrees on or before August 1, 2019 the Project shall be substantially completed. Substantial completion ("Substantial Completion") of the Project shall be deemed to have occurred when all of the following conditions have been met:"

7. Exhibits B-1, C-1, D-1 and E-1 are attached hereto and incorporated herein, superseding Exhibits B, C, D and E of the Ground Lease.

8. Except as expressly amended herein, all provisions of the Ground Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of the day and year first above written.

LESSOR
PORT OF SEATTLE

LESSEE
DUKE'S SHILSHOLE BAY CHOWDER
HOUSE, LLC

By: _____

By: ELWOOD INVESTMENTS L.L.C.

Its: _____

By: DUKE'S CHOWDER HOUSE, INC.
Its: Member

By: _____
G. Duke Moscrip, President

By: J. WILLY ENTERPRISES, INC.
Its: Member

By: _____
John Moscrip, President

Notary to First Amendment to Lease
With Duke's Shilshole Bay Chowder House, LLC
at Shilshole Bay Marina

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this ____ day of _____, 20____, before me personally appeared _____ of the PORT OF SEATTLE, the municipal corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that s/he was authorized to execute said instrument.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.

(Signature)

(Print Name)
Notary Public, in and for the State of Washington,
residing at _____
My Commission expires: _____

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this ____ day of _____, 20____, before me personally appeared _____ of the _____, to me known to be the _____ of the _____, the individual/entity that executed the within and foregoing instrument as Lessee, and acknowledged said instrument to be the free and voluntary act and deed of said individual/entity, for the uses and purposes therein mentioned, and on oath stated that s/he was authorized to execute said instrument.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.

(Signature)

(Print Name)
Notary Public, in and for the State of Washington,
residing at _____
My Commission expires: _____

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this ____ day of _____, 20____, before me personally appeared _____ of the _____, to me known to be the _____ of the _____, the individual/entity that executed the within and foregoing instrument as Lessee, and acknowledged said instrument to be the free and voluntary act and deed of said individual/entity, for the uses and purposes therein mentioned, and on oath stated that s/he was authorized to execute said instrument.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.

(Signature)

(Print Name)
Notary Public, in and for the State of Washington,
residing at _____
My Commission expires: _____

EXHIBIT B-1

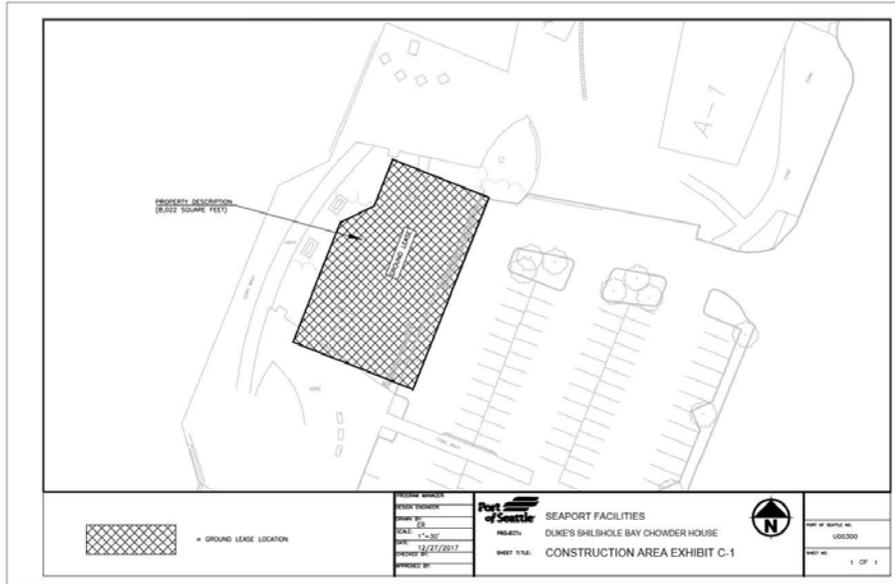
**EXHIBIT B-1
PROPERTY LEGAL DESCRIPTION**

THAT PORTION OF LOT 12, BLOCK 18 AND VACATED WATERWAY NO. 1, REPLAT OF BALLARD TIDE LANDS ACCORDING TO THE OFFICIAL MAP ON FILE IN THE DEPARTMENT OF NATURAL RESOURCES, OLYMPIA, WASHINGTON, SITUATED IN A PORTION OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 3, TOWNSHIP 25 NORTH, RANGE 3 EAST, W.M., KING COUNTY, WASHINGTON, THE PROPERTY DESCRIBED AS FOLLOWS:

COMMENCING AT A 4 INCH BRASS DISC FOUND-IN-PLACE, STAMPED "PORT OF SEATTLE TRAVERSE STATION" HAVING PORT OF SEATTLE COORDINATES OF N 53348.80, E 15537.29;
THENCE SOUTH 04° 12' 58" WEST, 603.14 FEET TO A 4 INCH BRASS DISC FOUND-IN-PLACE, STAMPED "PORT OF SEATTLE TRAVERSE STATION" HAVING PORT OF SEATTLE COORDINATES OF N 52747.29, E 15492.94;
THENCE SOUTH 29° 53' 55" WEST, 1223.46 FEET TO THE NORTHWEST CORNER OF SAID PROPERTY AT COORDINATE POINT N 51686.66, E 14883.09;
THENCE SOUTH 68° 20' 55" EAST, 58.88 FEET;
THENCE SOUTH 21° 39' 05" WEST, 116.94 FEET;
THENCE NORTH 68° 21' 22" WEST, 72.96 FEET;
THENCE NORTH 21° 39' 05" EAST, 73.01 FEET;
THENCE NORTH 63° 56' 20" EAST, 20.93 FEET;
THENCE NORTH 21° 39' 05" EAST, 28.46 FEET TO THE POINT OF BEGINNING.

CONTAINING 8,022 SQUARE FEET, MORE OR LESS.

EXHIBIT C-1



First Amendment
 PCS Agreement #002089
 Duke's Shilshole Bay Chowder House, LLC
 01/02/2018

Exhibit C-1, p-1

EXHIBIT D-1

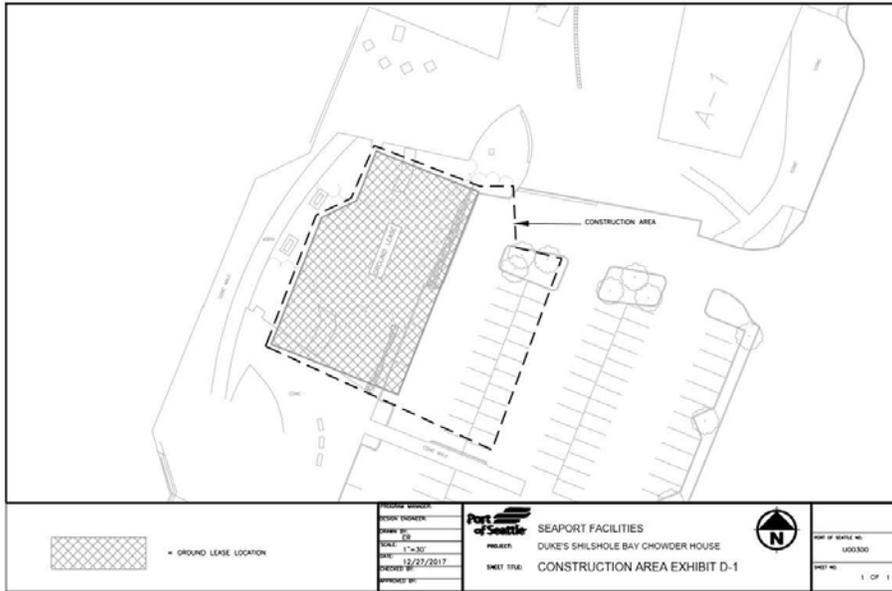
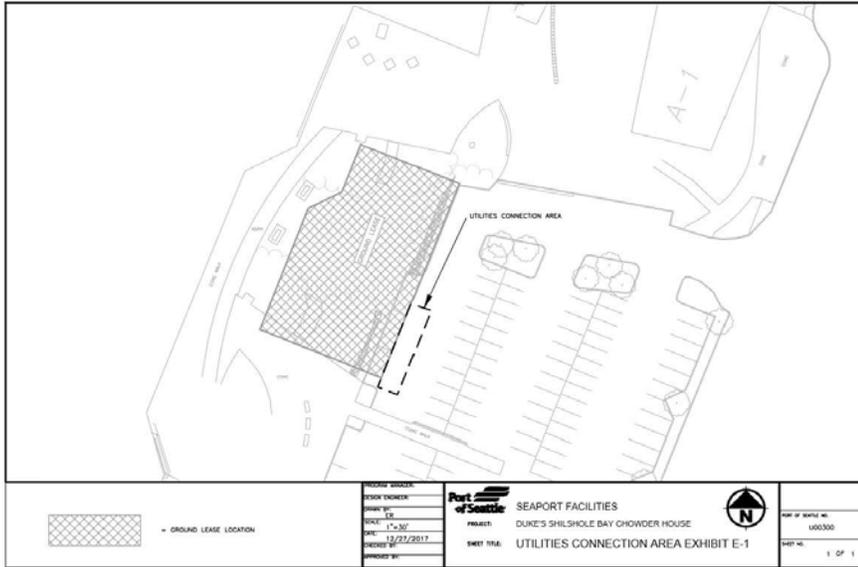


EXHIBIT E-1



 = GROUND LEASE LOCATION	DESIGNED BY:	 SEAPORT FACILITIES DUKE'S SHILSHOLE BAY CHOWDER HOUSE PROJECT: SHEET TITLE: UTILITIES CONNECTION AREA EXHIBIT E-1		DATE OF SCALE NO.:
	DESIGN CHECKER:			SCALE NO.:
	DATE:			SCALE:
	DATE:			SCALE:
	DATE:			SCALE:
DATE:	SCALE:	DATE NO.:	1 OF 1	