Item No.

6d attach

**Date of Meeting** 

May 14, 2019

# FIRST AMENDMENT TO LEASE BETWEEN PORT OF SEATTLE AND OPUS SOLUTIONS LLC AT WORLD TRADE CENTER WEST BUILDING

THIS FIRST AMENDMENT TO LEASE is made as of May 7, 2019, by and between the PORT OF SEATTLE, a Washington municipal corporation, hereinafter called "the Port," and OPUS SOLUTIONS, LLC, an Oregon limited liability company doing business as Opus Agency, hereinafter called "Tenant,"

## WITNESSETH:

WHEREAS, the parties entered into a Lease Agreement dated May 11, 2018, hereinafter called the "Basic Lease," of approximately 11,927 square feet of office within Suite 300 of The World Trade Center West Building at 2200 Alaskan Way, Seattle, Washington; and

WHEREAS, the parties now wish to amend the Basic Lease to increase the Premises by 6,641 square feet, effective September 1, 2019, with a corresponding increase in Base Rent, and extend the term.

NOW THEREFORE, in consideration of their mutual promises, the parties hereby agree that the Basic Lease shall be amended as follows:

- 1. The Premises in Section 1.1.2. is increased from 11,927 square feet to 18,568 square feet, effective September 1, 2019.
- 2. The Security required by Tenant in Section 1.2.2. is increased by \$87,619.00, from \$60,710.00 to a total of ONE HUNDRED FORTY-EIGHT THOUSDAND THREE HUNDRED TWENTY-NINE AND NO/100 (\$148,329.00), which \$87,619.00 shall be due no later than ten (10) days prior to September 1, 2019.
- 3. The Tenant's Pro Rata Share in Section 1.2.3. is increased by 9.55%, from 17.1594% to 26.7094%.
- 4. The Expiration Date in Section 1.3.3. is extended from April 30, 2023 to August 31, 2024.
- 5. The Term stated in Section 2.1. is changed from five (5) years to six (6) years and four (4) months.
- 6. The Base Rent in Section 3.1 payable by Tenant is amended as follows:

Effective May 1, 2019 through August 31, 2019:

11,927 rsf Office Space @ 16.82/rsf/yr = \$16,718.38/mo.

Effective September 1, 2019 through October 31, 2019:

As set forth in Section 3.2.2.

Effective November 1, 2019 through February 29, 2020:

18,568 rsf Office Space @ \$17.9578/rsf/yr = \$27,786.71/mo.

Effective March 1, 2020 through April 30, 2020:

18,568 rsf Office Space @ \$20.5070/rsf/yr = \$31,731.23/mo.

## Effective May 1, 2020 through August 31, 2020:

18,568 rsf Office Space @ \$21.1494/rsf/yr = \$32,725.16/mo.

# Effective September 1, 2020 through April 30, 2021:

18,568 rsf Office Space @ \$21.5071/rsf/yr = \$33,278.58/mo.

## Effective May 1, 2021 through August 31, 2021:

18,568 rsf Office Space \$22.1494/rsf/yr = \$34,272.51/mo.

# Effective September 1, 2021 through April 30, 2022:

18,568 rsf Office Space @ \$22.5071/rsf/yr = \$34,825.93/mo.

# Effective May 1, 2022 through August 31, 2022:

18,568 rsf Office Space @ \$23.1494/rsf/yr = \$35,819.86/mo.

### Effective September 1, 2022 through April 30, 2023:

18,568 rsf Office Space @ 23.5071/rsf/yr = 36,373.27/mo.

## Effective May 1, 2023 through August 31, 2023:

18,568 rsf Office Space @ \$24.1494/rsf/yr = \$37,367.20/mo.

## Effective September 1, 2023 through April 30, 2024:

18,568 rsf Office Space @ \$24.5071/rsf/yr = \$37,920.62/mo.

# Effective May 1, 2024 through August 31, 2024:

18,568 rsf Office Space @ \$25.1494/rsf/yr = \$38,914.55/mo.

The Base Rent shall constitute the contract rent for purposes of determining taxable rent for assessment of leasehold excise tax.

- 7. Section 3.3.2. Abatement is added as follows:
- 3.3.2. <u>Abatement</u>. As inducement to enter into this First Amendment for an expansion of 6,641 rsf and as long as Tenant is not in default, Tenant's obligation to pay Base Rent for the period of September 1, 2019 through October 31, 2019 shall remain:

11,927 rsf Office Space @ 16.82/rsf/yr = \$16,718.38/mo.

- 8. Section 8.2.1. Expansion Tenant Improvements is added as follows:
- 8.2.1. Expansion Tenant Improvements. As of September 1, 2019 or such earlier time as Landlord and Tenant may agree, Tenant may make certain tenant improvements to the 6,641 rsf expansion space (the "Expansion Tenant Improvements) as provided on Exhibit E.
- 9. Section 22.2.1 is added as follows:
  - 22.2.1. Landlord and Tenant each warrant to the other that it has had no discussions, negotiations and/or other dealings with any real estate brokers or agents other than Madison Bay Commercial and Charlie Farra of Newmark Knight Frank in connection with the negotiation of this First Amendment, and that it knows of no other real estate broker or agent who is or may be entitled to any commission or finder's fee in connection with this Lease. Landlord and Tenant each agree to indemnify and hold the other harmless from and against any and all claims, demands, losses, liabilities, lawsuits, judgments, costs and expenses (including without limitation, attorneys' fees and costs) with respect to any leasing commission or equivalent compensation alleged to be owing on account of such party's discussions, negotiations and/or dealings with any real estate

brokers or agents other than Madison Bay Commercial and Charlie Farra of Newmark Knight Frank. This Section is not intended to benefit any third parties and shall not be deemed to give any rights to brokers or finders. No commission(s) or finders fee(s) shall be paid to Tenant, employee(s) of Tenant or any unlicensed representative of Tenant.

- 10. Exhibit "B-1" Premises is attached hereto and incorporated herein, superseding Exhibit "B."
- 11. Exhibit "D-5" is hereby amended by deleting the date set forth in Section 10 of Exhibit "D-5" and substituting "March 31, 2020" therefor.
- 12. Exhibit "E" Expansion Tenant Improvement Work Letter is attached hereto and incorporated herein.
- 13. Except as expressly amended herein, all provisions of the Basic Lease shall remain in full force and effect.

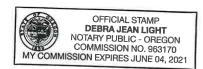
IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of the day and year first above written.

LESSOR PORT OF SEATTLE a Washington municipal corporation	LESSEE OPUS SOLUTIONS, LLC D/B/A OPUS AGENCY an Oregon limited liability company
By	By Alfille Capustine

Notary to First Amendment to Lease with Opus Solutions, LLC at WTCW.

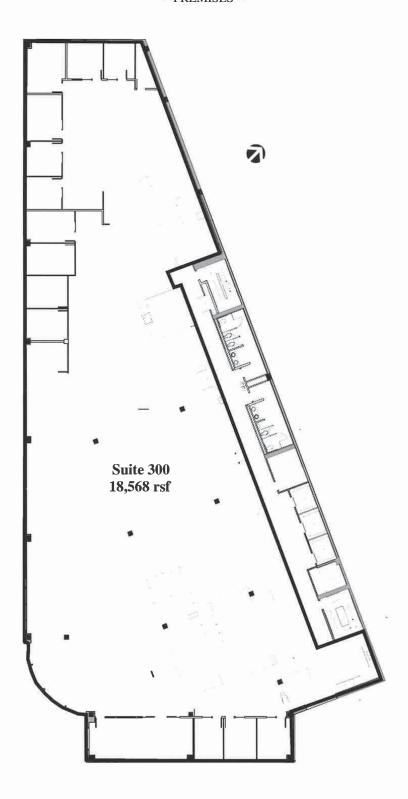
STATE OF WASHINGTON	)		
	) ss		
COUNTY OF KING	)		
On this day of	, 20, to me known to be the	, before me personally appeared	of the PORT
OF SEATTLE, the municipal con	rporation that executed the untary act and deed of said	within and foregoing instrument, and corporation, for the uses and purpose	acknowledged said
In Witness Whereof I havritten.	ave hereunto set my hand a	and affixed my official seal the day an	d year first above
	(Sign	ature)	
	(Print	t Name)	
	Notar	ry Public, in and for the State of Wash	ington,
	residi	ing at	
	My C	ommission expires:	

STATE OF OREGON )
COUNTY OF WASHINGTON )
On this \(\frac{1}{2}\) day of \(\frac{1}{2}\), before me personally appeared \(\frac{1}{2}\) of the \(\frac{1}{2}\) of the \(\frac{1}{2}\) 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) Debra Jean Light  (Print Name) Notary Public, in and for the State of Oregon, residing at LABSH THE TON CLEATE  My Commission expires: June 04, 2021



# EXHIBIT B-1

# - PREMISES -



### **EXHIBIT E**

#### - EXPANSION TENANT IMPROVEMENTS WORK LETTER -

- 1. The Tenant Work. Under the Basic Lease ("Lease"), Tenant has agreed to accept the Premises in their current condition without any obligations for the performance of additional improvements or other work by Landlord. Notwithstanding the foregoing, Landlord has agreed that Tenant may perform certain Expansion Tenant Improvements, which shall be limited to demolition of the existing demising wall, demolition of private offices, relocation of existing light fixtures, new paint and new carpet. The Expansion Tenant Improvements shall be in accordance with the provisions of this "Work Letter" and, to the extent not inconsistent herewith, the provisions of the Lease as amended by the First Amendment. Performance of the Expansion Tenant Improvements shall not serve to abate the payment of Rent or otherwise extend the Rent Commencement Date under the Lease.
- 2. Cost of the Work. Except as provided hereinafter, Tenant shall pay all costs (the "Costs of the Work") associated with the Expansion Tenant Improvements whatsoever, including without limitation, all permits, inspection fees, fees of architects, engineers, and contractors, utility connections, the cost of all labor and materials, bonds, insurance, and any structural or mechanical work, additional HVAC equipment or sprinkler heads, or modifications to any building mechanical, electrical, plumbing or other systems and equipment or relocation of any existing sprinkler heads, either within or outside the Premises required as a result of the layout, design, or construction of the Expansion Tenant Improvements.

# 3. Review and Approval.

#### 3.1. Preliminary Plan and Specifications.

- 3.1.1. <u>Submission</u>. No later than thirty (30) days after the mutual execution of the First Amendment, Tenant shall submit two (2) sets of a "Preliminary Plan" (as described in Section 8.1 herein) to Landlord for approval.
- 3.1.2. <u>Review</u>. Landlord shall, within ten (10) working days after receipt thereof, either approve said Preliminary Plan, or disapprove the same advising Tenant of the reasons for such disapproval. If necessary, Landlord shall also endeavor to obtain Landlord's insurers approval of any sprinkler drawings. In the event Landlord disapproves said Preliminary Plan, Tenant shall modify the same, taking into account the reasons given by Landlord for said disapproval, and shall submit two (2) sets of the revised Preliminary Plan to Landlord within five (5) days after receipt of Landlord's initial disapproval.

## 3.2. Working Drawings and Engineering Report.

- 3.2.1. <u>Submission</u>. No later than sixty (60) days after mutual execution of the First Amendment, Tenant shall submit to Landlord for approval two (2) sets of "Working Drawings" (as defined in Section 8 herein), and a report (the "Engineering Report") from Tenant's mechanical, structural and electrical engineers indicating any special heating, cooling, ventilation, electrical, heavy load or other special or unusual requirements of Tenant.
- 3.2.2. Review. Landlord shall, within ten (10) working days after receipt thereof, either approve the Working Drawings and Engineering Report, or disapprove the same advising Tenant of the reasons for disapproval. If necessary, Landlord shall also endeavor to obtain Landlord's insurers approval of any sprinkler drawings. If Landlord disapproves of the Working Drawings or Engineering Report, Tenant shall modify and submit two (2) sets of revised Working Drawings, and a revised Engineering Report, taking into account the reasons given by Landlord for disapproval, within ten (10) days after receipt of Landlord's initial disapproval.
- 3.3. <u>Change Orders.</u> No changes, modifications, alterations or additions to the approved Preliminary Plan or Working Drawings may be made without the prior written consent of Landlord after written request therefore by Tenant. In the event that the Premises are not

constructed in accordance with said approved Preliminary Plan and Working Drawings, then Tenant shall not be permitted to occupy and/or conduct business from the Premises until the Premises reasonably comply in all respects with said approved Preliminary Plan and Working Drawings; in such case, the Rent shall nevertheless commence to accrue and be payable as otherwise provided in the Lease and First Amendment.

3.4. <u>Final Inspection</u>. Landlord's acceptance of the Expansion Tenant Improvements as being complete in accordance with the approved Preliminary Plan and Working Drawings shall be subject to Landlord's inspection and written approval. Tenant shall give Landlord five (5) days prior written notification of the anticipated completion date of the Expansion Tenant Improvements.

# 3.5. Landlord's Approval.

- 3.5.1. Landlord shall not unreasonably withhold approval of any Preliminary Plan, Working Drawings, Engineering Report, or Change Order submitted hereunder if they provide for a customary layout, are compatible with the Building's shell and core construction, and will not require any structural modifications to the Building, whether required by heavy loads or otherwise.
- 3.5.2. Landlord's approval of Tenant's Preliminary Plans, Working Drawings, Engineering Report or Change Order, and Landlord's recommendations or approvals concerning contractors, subcontractors, engineers or architects (if any) shall not be deemed a warranty as to the quality or adequacy of the Expansion Tenant Improvements, or the design thereof, or of its compliance with Laws, codes and other legal requirements.
- 4. <u>Compliance</u>. The Expansion Tenant Improvements shall comply in all respects with the following: (a) the Building Code of the City and State in which the Building is located and State, County, City or other laws, codes, ordinances and regulations, as each may apply according to the rulings of the controlling public official, agent or other such person, (b) applicable standards of the National Board of Fire Underwriters and National Electrical Code, (c) building material manufacturer's specifications, and (d) all prevailing wage laws in the State of Washington, as set forth in RCW 39.12 as amended, and the rules and regulations of the Department of Labor and Industries. If necessary, the Expansion Tenant Improvements shall also comply with the requirements of Landlord's insurer.

## 5. Architects, Engineers, and Contractors.

5.1. <u>Qualified Professionals</u>. The Preliminary Plan, Working Drawings, Engineering Report and the Expansion Tenant Improvements, shall be prepared and performed by licensed, reputable and qualified architects, engineers and contractors.

# 5.2. <u>Insurance Requirements</u>.

- 5.2.1. <u>Professional Liability</u>. All architects and engineers shall carry professional liability insurance with limits not less than one million dollars per claim (\$1,000,000).
- 5.2.2. <u>Worker's Compensation</u>. All contractors and subcontractors shall carry Worker's Compensation Insurance covering all of their respective employees in the statutorily required amounts.
- 5.2.3. General Liability. All contractors and subcontractors shall each separately obtain and keep in force a policy of general liability insurance consistent with the requirements of Section 12.1.1 of the Lease; provided, however: (i) the limit for such insurance shall be at least three million dollars (\$3,000,000) notwithstanding any other amount set forth in the Lease; and (ii) the policies therefore shall cover both Landlord and Tenant, as additional insureds. Evidence of such insurance shall be delivered to Landlord before the construction is commenced or contractor's equipment is moved onto the building.

#### 6. Performance.

- 6.1. The Expansion Tenant Improvements shall commence promptly, and shall thereafter be diligently executed to completion, subject only to delays for reasons beyond Tenant's control (except financial matters). All Expansion Tenant Improvements shall conform with the Working Drawings approved by Landlord in writing, and Landlord may periodically inspect the Expansion Tenant Improvements for such compliance. All Expansion Tenant Improvements shall conform with the Working Drawings approved by Landlord in writing, and Landlord may periodically inspect the Expansion Tenant Improvements for such compliance. The Expansion Tenant Improvements shall be coordinated under Landlord's direction with other work being done or to be performed for or by other tenants in the building so that the Expansion Tenant Improvements will not interfere with or delay the completion of any other construction work in the building.
- 6.2. Tenant shall perform the Expansion Tenant Improvements in a thoroughly safe, first-class and professional manner in conformity with the approved Preliminary Plan and Working Drawings, and shall be in good and usable condition at the date of completion.
- 6.3. Tenant shall be required to obtain and pay for all necessary permits and/or fees with respect to the Expansion Tenant Improvements, copies of which shall be provided to Landlord prior to commencement of the Expansion Tenant Improvements.
- 6.4. Each contractor and subcontractor shall be required to obtain prior written approval from Landlord for any space outside the Premises within the building, which such contractor or subcontractor desires to use for storage, handling, and moving of his materials and equipment, as well as for the location of any facilities or personnel. Nothing in the paragraph shall, however, give rise to any obligation on Landlord to provide such space.
- 6.5. The contractors and subcontractors shall be required to remove from the Premises and dispose of, at least once a week and more frequently as Landlord may direct, all debris and rubbish caused by or resulting from the construction. Upon completion of the Expansion Tenant Improvements, the contractors and subcontractors shall remove all surplus materials, debris and rubbish of whatever kind remaining within the building which has been brought in or created by the contractors and subcontractors in the performance of the Expansion Tenant Improvements. If any contractor or subcontractor shall neglect, refuse or fail to remove any such debris, rubbish, surplus material or temporary structures within two (2) days after notice to Tenant from Landlord with respect thereto, Landlord may cause the same to be removed by contract or otherwise as Landlord may determine expedient, and charge the cost thereof to Tenant as additional Rent under the Lease.
- 6.6. Tenant shall obtain utility service, including meter, from the utility company supplying service, unless Landlord elects to supply service and/or meters. Tenant shall obtain and furnish Landlord copies of all approvals with respect to electrical, water and telephone work as may be required by the respective company supplying the service.
- 6.7. Tenant shall, at its cost and expense construct, purchase, install and perform any and all work included within the Expansion Tenant Improvements so as to obtain any governmentally required certificate of occupancy and to occupy the Premises as soon as possible.
- 6.8. Copies of "as built" drawings shall be provided to Landlord no later than thirty (30) days after completion of the Expansion Tenant Improvements. Landlord will not disburse Expansion Tenant Improvement reimbursement until "as built" drawings have been provided.
- 6.9. Landlord shall not be responsible for any disturbance or deficiency created in the air conditioning or other mechanical, electrical or structural facilities within the building or Premises as a result of the Expansion Tenant Improvements. If such disturbances or deficiencies result, Tenant shall correct the same and restore the services to Landlord's reasonable satisfaction, within a reasonable time. Tenant shall use Landlord's approved HVAC Service provider for any and all installations and adjustments required to the Premises in the course of the Expansion Tenant Improvements. Tenant's mechanical system (heating, ventilating, and air conditioning) shall tie into the central EMCS (emergency

management control system) and the type of keys to such system shall match those specified in the Building plans.

- 6.10. If performance of the Expansion Tenant Improvements shall require that additional services or facilities (e.g., common area cleaning services) be provided, Tenant shall pay Landlord's reasonable charges therefore.
- 6.11. Tenant's contractors shall comply with the rules of the building and Landlord's requirements respecting allowable construction hours and manner of handling materials, equipment and debris. Construction activities, delivery of materials, equipment and removal of debris must be arranged to avoid any inconvenience or annoyance to other occupants. The Expansion Tenant Improvements and all cleaning in the Premises must be controlled to prevent dirt, dust or other matter from infiltrating into adjacent Tenant or mechanical areas.
- 6.12. Landlord may impose reasonable additional requirements from time to time in order to ensure that the Expansion Tenant Improvements, and the construction thereof does not disturb or interfere with any other Tenants of the building, or their visitors, contractors or agents, nor interfere with the efficient, safe and secure operation of the building. Tenant's Contractor shall obtain a copy of, and comply at all times with, the then current contractor's rules and regulations for the Building.
- 7. <u>Liens</u>. Tenant shall keep the Premises, the building and surrounding areas free from any mechanic's, materialman's or similar liens or other such encumbrances in connection with the Expansion Tenant Improvements, and shall indemnify and hold Landlord harmless from and against any claims, liabilities, judgments, or costs (including attorneys' fees) arising in connection therewith. Tenant shall remove any such lien or encumbrance by bond or otherwise within thirty (30) days after written notice by Landlord, and if Tenant shall fail to do so, Landlord may pay the amount necessary to remove such lien or encumbrance, without being responsible for investigating the validity thereof. The amount paid shall be deemed additional rent under the Lease payable upon demand, without limitation as to other remedies available to Landlord under the Lease. Nothing contained herein shall authorize Tenant to do any act which shall subject Landlord's title to the building or Premises to any liens or encumbrances whether claimed by operation of law or express or implied contract. Any claim to a lien or encumbrance upon the building or Premises arising in connection with the Expansion Tenant Improvements shall be null and void, or at Landlord's option shall attach only against Tenant's interest in the Premises and shall in all respects be subordinate to Landlord's title to the building and Premises.
- 8. <u>Certain Definitions</u>. As used in this Work Letter, the following terms shall have the meanings provided in this Section.
  - 8.1. <u>Preliminary Plan</u>. "Preliminary Plan" shall mean and refer to a plan, drawn to scale, showing: (i) demising walls, corridor doors, interior partition walls and interior doors (if any); (ii) any restrooms, kitchens, computer rooms, file rooms and other special purpose rooms, and any sinks or other plumbing facilities, or other special facilities or equipment; (iii) all utility connections; (iv) any communications system, indicating telephone and computer outlet location; (v) and other Lines (as defined in the Lease); and (vi) any other details or features required to reasonably delineate the Work to be performed.
  - 8.2. Working Drawings. "Working Drawings" shall mean and refer to fully dimensioned architectural construction drawings and specifications, and any required engineering drawings (including mechanical, electrical, plumbing, air-conditioning, ventilation and heating), and shall include any applicable items described above for the Preliminary Plan, and if applicable: (i) electrical outlet locations, circuits and anticipated usage therefore; (ii) reflected ceiling plan, including lighting, switching, and any special ceiling specifications; (iii) duct locations for heating, ventilating and air-conditioning equipment; (iv) dimensions of all equipment and cabinets to be built in; (v) location of all Lines (as defined in the Lease); (vi) location of any equipment or systems (with brand names wherever possible) which require special consideration relative to air-conditioning, ventilation, electrical, plumbing, structural, fire protection, life-fire-safety system, or mechanical systems; (vii) weight and location of heavy equipment, and anticipated loads for special usage rooms; and (viii) any other details or features required to completely delineate the Work to be performed.

- 9. Incorporation into Lease; Defaults.
  - 9.1. <u>Incorporation</u>. The Parties agree that the provisions of this Work Letter are hereby incorporated by this reference into the Lease and First Amendment to Lease fully as though set forth therein. In the event of any express inconsistencies between the Lease, the First Amendment to Lease and this Work Letter, this Work Letter shall govern and control.
  - 9.2. Defaults. If Tenant shall default under this Work Letter, Landlord may order that all Tenant Improvements being performed in the Premises be stopped immediately, and that no further deliveries to the Premises be made, until such default is cured, without limitation as to Landlord's other remedies. Any amounts payable by Tenant to Landlord hereunder shall be paid as additional rent under the Lease. Any default by the other party hereunder shall constitute a default under the Lease and shall be subject to the remedies and other provisions applicable thereto under the Lease. If Tenant shall default under the Lease or this Work Letter and fail to cure the same within the time permitted for cure under the Lease, at Landlord's option, all amounts paid or incurred by Landlord towards the Expansion Tenant Improvement Allowance shall become immediately due and payable as additional Rent under the Lease.
- 10. Tenant Reimbursement. Landlord shall contribute an Expansion Tenant Improvement Allowance of up to SIXTY-SIX THOUSAND FOUR HUNDRED TEN AND 00/100 DOLLARS (\$66,410.00) (the "Expansion Tenant Improvement Allowance") towards Tenant's hard and soft costs and expenses incurred by Tenant in designing, permitting, and constructing the Expansion Tenant Improvements. Landlord shall reimburse Tenant within ten (10) business days after Tenant has submitted to Landlord: (i) an invoice for the Expansion Tenant Improvement Allowance; (ii) the required "as-built" drawings, including mechanical, plumbing and electrical details; (iii) a certificate from Tenant's architect or contractor setting forth the description of the work performed, materials furnished, and costs thereof incurred by or on behalf of Tenant, and (iv) proper and approved Statements of Intent to Pay Prevailing Wages and Affidavits of Wages Paid have been provided and approved by Landlord in accordance with Section 8.4 of the Lease. Tenant must request reimbursement within sixty (60) days of the substantial completion of the Expansion Tenant Improvements provided by the Tenant, but not later than March 31, 2020. Landlord's obligation to pay the Expansion Tenant Improvement Allowance is expressly conditioned upon the Tenant's timely request for such Expansion Tenant Improvement Allowance and submission of all documentation required to make such request for the Expansion Tenant Improvement Allowance. Any unused/unclaimed portion of the Expansion Tenant Improvement Allowance shall be forfeited and not otherwise payable to Tenant.

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