

GROUND LEASE AGREEMENT

THIS OPTION TO GROUND LEASE AGREEMENT (herein "Agreement"), dated as of August __, 2014, is made by and between PORT OF SEATTLE, a Washington municipal corporation ("Port"), and CREDIT LEASE INVESTMENTS, LLC, a Delaware limited liability company ("Developer").

RECITALS

- A. Port owns approximately twenty (20) acres of land in the City of SeaTac, King County, Washington described on Exhibit A attached hereto (the "Property").
- B. Port desires to have the Property developed into an office complex to accommodate the regional headquarters for the Federal Aviation Administration per the terms of the General Services Administration's ("GSA") Solicitation #3WA0392 (the "Project").
- C. Developer's principals have the experience needed to develop the Project.
- D. Developer has requested and Port has agreed to provide Developer with the right to enter into a ground lease of the Property in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, for and in consideration of the above recitals, the agreements, covenants and conditions herein contained, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Port and Developer ("the parties hereto") agree as follows.

AGREEMENT

1. Option to Ground Lease

Subject to all of the provisions set forth below, the Port hereby grants to Developer the non-exclusive right (the "Option") to enter into a ground lease of the Property in accordance with the terms and conditions of this Agreement.

2. Term of Option

Developer shall have the Option to lease the Property for the period commencing on August __, 2014 and ending at 12:00 p.m. (Pacific Time) on August __, 2015 (the "Expiration Date"). The period during which the Option may be exercised by Developer is referred to below as the "Option Term."

3. Exercise of Option

This Option may be exercised only if both the Property and Developer are selected by the GSA to build the Project. Developer must exercise the Option by written notice signed by Developer. Such written notice must be delivered pursuant to Section 13 below and received prior to the Expiration Date.

4. Option Fee

4.1 In consideration of the Option granted above, Developer agrees to pay Port the sum of Eight Thousand Seven Hundred Twenty-Seven Dollars (\$8,727) (the "Option Fee") upon execution of this Agreement. The Option Fee represents one-one hundredth percent (0.001%) of the agreed upon value of the Property using a Ten Dollar and Seventeen Cent (\$10.17) per square foot value for the Property.

4.2 If GSA selects the Property and Developer and Developer exercises the Option as provided in this Agreement, the Option Fee will be retained by the Port.

4.3 If GSA selects the Property and Developer and Developer opts not to exercise the Option as provided in this Agreement, the Option Fee is non-refundable and will be retained by the Port, free of all claims of Developer, and neither party shall have any further rights or claims against the other.

4.4 If GSA does not select the Property and Developer, the Port will return the Option Fee to Developer within seven (7) days of the GSA's announcement of its selection.

5. Ground Lease to be Signed

The key terms and conditions for ground leasing the Property applicable upon exercise of the Option are set forth in **Exhibit B** attached hereto and incorporated herein by this reference (the "Ground Lease").

6. Expiration of Option

This Option will expire upon the earlier of: (i) 12:00 p.m. on the Expiration Date if Developer has not given the Port written notice of exercise of the Option or (ii) the GSA's public announcement that it has not selected the Property and Developer for the Project. If the Option is exercised, this Agreement shall terminate upon execution of the Ground Lease pursuant to Section 5, it being the express intent of the parties hereto that the Ground Lease shall govern their ongoing relationship, liabilities and obligations.

7. Right to Enter Property; Indemnification; Insurance

7.1 Inspection and Testing. Developer and its officers, employees, consultants, contractors or agents ("**Developer parties**") shall have adequate access at reasonable hours to the Property to physically inspect the Property, survey the Property, obtain land use, economic feasibility and engineering information, develop pre-construction architectural information, take photographs, conduct tests and studies that Developer deems appropriate, including invasive testing such as borings and excavating test holes and test pits, and otherwise examine the Property in preparation for development of the Project (the "Inspection Rights").

7.1.1. Developer parties shall keep Port reasonably informed of all such activities and shall give at least forty-eight (48) hours' prior written notice to Port, Attention: Director of Real Estate Development, Mark Griffin. Port may elect to have one or more representatives present during the exercise of the Inspection Rights.

7.1.2. Notwithstanding the foregoing, Developer parties shall not conduct any invasive and/or destructive testing on or about the Property without Port's prior written approval of a detailed scope of work/work plan, which approval shall not be unreasonably withheld, conditioned or delayed. Before conducting any invasive or intrusive testing such as borings or test holes, Developer parties shall give Port at least forty-eight (48) hours' prior written notice, and shall exercise commercially reasonable efforts to coordinate the date and time of such testing to enable Port's representatives and/or consultants to be present to take duplicate samples and record the methods used by Developer parties; provided that Port's representatives and/or consultants shall not materially interfere with the work of Developer parties. Developer shall be solely responsible for the cost of all work conducted by or on behalf of Developer pursuant to the Inspection Rights or otherwise, except for the cost of any of Port's representatives or consultants. Developer shall promptly share, upon receipt and at its cost, upon request, all data and any additional information obtained from the Inspection Rights.

7.2 Restoration of the Property. Developer shall, upon completion of activities permitted in Section 7.1, restore the Property to its reasonably similar condition prior to such activities. Developer shall effect such restoration either: (a) within ten (10) business days after the completion of the work requiring the restoration, or (b) immediately, if failure to effect such restoration could reasonably be expected to create a dangerous condition for any person while on the Property.

7.3 Indemnification. Developer shall defend, indemnify and hold harmless Port (and the agents and representatives of Port), from any and all mechanic's liens, claims, liabilities, costs, expenses, including attorneys' fees, and damages arising out of or in any way related to entry upon or use (pursuant to this Section 7) of the Property by Developer parties, or by any other person or entity on behalf of, or at the request of, Developer. Developer shall indemnify, hold harmless and defend Port from claims or damages arising in connection with Developer's exercise of the Inspection Rights or any other activities of Developer parties or their invitees on or about the Property. Upon termination of this Agreement for any reason whatsoever, Developer's indemnity obligations to Port under this Section 7 shall survive and shall continue in full force and effect.

7.4 Insurance. Prior to the commencement of any work or other activities on the Property, Developer shall, at Developer's initial cost and expense, obtain and thereafter maintain or cause to be maintained during the period of such work or activities the insurance specified below. Commercially acceptable certificates of insurance which evidence proof of insurance shall be submitted by Developer to Port prior to commencement of any work.

(a) Workers' Compensation and Employers' Liability Insurance. This insurance shall include workers' compensation and employers' liability as required by any applicable law or regulation.

(b) General Liability Insurance. Commercial general liability insurance with respect to or arising out of any use of or work to be performed by, for or at the request of Developer on the Property that protects Developer and Port, as an additional insured using ISO form 2026 or equivalent, against claims for bodily injury, personal injury and property damage based upon, involving or arising out of Developer's use and/or occupancy of the Property and all areas

appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than Two Million Dollars (\$2,000,000) per occurrence. The limits of said insurance required by this Agreement or as carried by Developer shall not, however, limit the liability of Developer nor relieve Developer of any obligation hereunder. The insurance to be carried by Developer shall be: (i) primary to and not contributory with any similar insurance carried by Port, whose insurance shall be considered excess insurance only, and (ii) shall not be cancelable or subject to modification except after thirty (30) days prior written notice to Port. Developer shall cause to be delivered to Port certified copies of policies of such insurance or certificates evidencing the existence and amounts of such insurance with the insured clauses and/or endorsements as required by this Agreement. Developer shall not do or permit anything to be done that may invalidate the insurance policies referred to in this paragraph.

(c) Automobile Liability Insurance. Commercial automobile liability insurance written on ISO Form CA 00 01 07 97 (or equivalent), that protects Developer and Port against claims for bodily injury and property damage based upon, involving or arising out of motor vehicle operations on or about the Property and all areas appurtenant thereto. Developer shall provide a Waiver of Subrogation on this policy in favor of Port. Such insurance shall cover any "Auto" (i.e. owned, hired and non-owned) and shall be on an occurrence basis providing single limit coverage in an amount not less than One Million Dollars (\$1,000,000) per occurrence. The policy shall not contain any intra-insured exclusions as between insured persons or organizations.

7.4.1 Commercial general liability and commercial automobile liability insurance, as required above, shall be written for not less than the limits of liability set forth above or as required by law, whichever is greater.

7.4.2 Insurance required hereunder shall be in companies duly licensed to transact business in the State of Washington, and maintaining during the policy term a General Policyholders Rating of 'A-' or better and a financial rating of 'IX' or better, as set forth in the most current issue of "Best's Insurance Guide." No such policy shall be cancelable or subject to non-renewal or modification except after thirty (30) days prior written notice to Port. Developer shall at least ten (10) days prior to the expiration of such policies, furnish Port with evidence of renewals or "insurance binders" evidencing renewal thereof, or Port may order such insurance and charge the cost thereof to Developer, which amount shall be payable by Developer to Port upon demand.

8. Entitlements

8.1 The parties hereto acknowledge that, in order for the Project to be constructed, it will be necessary to make applications to the appropriate governmental agencies to verify compliance of the Project with local zoning, obtain environmental permits and approvals, and obtain building permits for construction of the proposed improvements. Accordingly, Developer shall engage the services of professional and technical consultants and otherwise incur such costs and expenses as may be necessary to prepare tests, studies, and reports to obtain the governmental approvals, permits and authorizations for the development of the Project

(collectively, “Government Approvals”). Developer will secure all the Governmental Approvals needed for construction and operation of the Project at its sole cost and expense.

8.2 Developer will keep Port reasonably informed as to the status of all applications for Governmental Approvals, and will deliver to Port a copy of each application or request for approval as filed with the appropriate governmental agencies.

9. Property Condition and Document Delivery Acknowledgment

Port will deliver the Property to Developer in its “as is” condition, with all faults and defects, known and unknown, without warranty or representation of any kind or character by Port, including, without limitation, the physical condition of the Property or its adequacy for construction of the Project. Developer acknowledges the foregoing and agrees that the Inspection Rights granted herein constitute adequate opportunity to inspect the Property and review all applicable legal requirements to satisfy itself regarding the condition of the Property for construction of the Project. Port agrees not to make any changes to the Property during the Option Term.

10. Assignment

Developer may not assign its rights or duties hereunder in whole or in part, except with the prior written consent of Port. Notwithstanding the foregoing, Developer may without prior written consent of Port assign its rights or duties hereunder in whole or in part to a to-be-formed Delaware limited liability company named “CLI-SeaTac, LLC” that is at least twenty-five percent (25%) owned by principals of Developer.

11. Developer’s Representations and Warranties

The representations and warranties of Developer to Port set forth below are true and accurate as of the date of this Agreement. Developer hereby represents and warrants as follows:

(a) Developer is a limited liability company duly organized and validly existing under the laws of the State of Delaware.

(b) The execution and delivery of this Agreement (including all exhibits attached hereto) and the performance hereof by Developer will not conflict with, or result in a breach of, any of the terms, conditions, provisions of, or constitute a default (or constitute an event which, with the giving of notice or the passage of time, or both, would constitute a default) under any instrument or agreement to which Developer is a party or by which Developer is bound.

12. Port’s Representations and Warranties

The representations and warranties of Port to Developer set forth below in this Section 9 are true and accurate as of the date of this Agreement. Port hereby represents and warrants as follows:

(a) Port is a municipal corporation duly organized and validly existing under the laws of the State of Washington.

(b) The execution and delivery of this Agreement (including all exhibits attached hereto) and the performance hereof by Port will not conflict with, or result in a breach of, any of the terms, conditions, provisions of, or constitute a default (or constitute an event which, with the giving of notice or the passage of time, or both, would constitute a default) under any instrument or agreement to which Port is a party or by which Port is bound.

(c) Port is not a party to any pending action, suit, proceeding or investigation, at law or equity or otherwise arising from or related to the Property or to the past or present activities of Port relating to the Property.

(d) There are no pending or threatened condemnation proceedings affecting all or any portion of the Property.

(e) Fee simple title to the Property is currently vested in Port, and while this Agreement is in effect, Port shall not take any action affecting title to the Property or take, or omit to take any, action which is otherwise in violation of the rights granted Developer herein, except as may be expressly authorized by this Agreement.

(f) Port hereby agrees that during the term of this Agreement, Port shall not commit, approve, consent to or permit any un-permitted Transfer (as hereinafter defined) without the prior written consent of Developer. Any un-permitted Transfer shall be void, invalid and of no force or effect against Developer or Developer's rights hereunder in the Property. As used herein, an "un-permitted Transfer" shall mean any of the following;

(i) Any lease affecting all or a portion of the Property, unless such lease shall terminate prior to execution of the Ground Lease or be terminable at Developer's election upon Developer's execution of the Ground Lease;

(ii) Any grant, sale, transfer, or other conveyance of all or any portion or interest in the Property, unless the deed or other instrument of conveyance or transfer, expressly states that the grantee or transferee and its heirs, representatives, successors and assigns take subject to the interest Developer hereunder;

(iii) Any mortgage, lien, restriction, or other encumbrances of all or any portion of the Subject Property, unless such mortgage, lien, restriction, or encumbrance expressly states without reservation, that it is in all respects subordinate and subject to the interest of Developer hereunder and shall expire, without any payment made by Developer, prior to or at the time the Developer executes the Ground Lease;

(iv) Any other act or omission affecting the Property, which would diminish or otherwise adversely affect the Developer's interest under this

Agreement or which might prevent the Port's full performance of its obligations hereunder;

(v) Any contract or other agreement to which any party may obtain a lien or other rights affecting all or a portion of the Property, with the sole exception of separate contracts specific only in respect to other developer entities which the Port has authorized to submit a proposal to the GSA for the Project.

13. Notices

13.1 Any notice or communication (herein collectively "Notices") to be given under the terms of this Agreement shall be in writing and shall be personally delivered or sent by facsimile, delivery by professional courier, or by registered or certified mail, return receipt requested.

Notices shall be addressed as follows:

Port: Port of Seattle
2711 Alaskan Way – Pier 69
PO Box 1209
Seattle, WA 98111
Attention: Mark Griffin, Director Real Estate Development
Fax: 206-787-3280
Phone: 206-787-3726

Developer: Credit Lease Investments LLC
2275 Half Day Road Suite 343
Bannockburn, IL 60015
Attention: Charlene Alderete
Fax: 847-374-9520
Phone: 847-374-9100

13.2 All such Notices shall be deemed to have been given: (i) if personally delivered, upon receipt, (ii) if by registered or certified mail, upon the date indicated on the return receipt, (iii) if by courier service, upon the date delivered as shown by the records of the courier, and (iv) if by facsimile, at the time of electronic confirmation of successful transmission. The parties hereto may, from time to time, change their address for delivery of notice by sending notice of its new address to the other Party in accordance with the terms of this Section 13. The phone numbers supplied above are only for the purpose of facilitating written notice, and may not be used in lieu of written notice.

14. Commissions

14.1 The parties hereto hereby acknowledge that no real estate commission shall be payable in connection with execution of this Agreement and/or the exercise of the Option.

14.2 Developer hereby indemnifies and agrees to hold harmless Port of and from any claim by any person or entity for a sales or brokerage commission or finder's fee by reason of any listing or other agreement with Developer with respect to the transaction which is the subject of this Agreement.

15. Governing Law

This Agreement shall be governed by the laws of the State of Washington and any question arising hereunder shall be construed or determined according to such laws, without regard to its principles of conflicts or choice of law.

16. Attorneys' Fees

If any of the parties hereto shall bring any action or proceeding against any other, the prevailing party or parties in such action or proceeding shall be entitled to recover from the party prevailed against all reasonable attorneys' fees and costs incurred in connection therewith. The attorneys' fees which the prevailing party is entitled to recover shall include fees for any judgment rendered on this Agreement, and this Section 16 shall survive and not be deemed merged with any judgment rendered on this Agreement. "Reasonableness" shall be determined with reference to typical attorneys' fees paid in King County, Washington and "prevailing party" shall be determined in accordance with Washington law.

17. Entire Agreement

17.1 This Agreement contains the entire agreement and understanding between the parties hereto with respect to the Property. There are no oral understandings, terms or conditions, and neither party has relied upon any representations, express or implied, not contained in this Agreement. All prior understandings, terms, or conditions are deemed merged into this Agreement.

17.2 This Agreement may not be changed orally, but only by agreement in writing and signed by the party against whom enforcement of any waiver, change, modification, or discharge is sought.

18. Counterparts

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and together shall constitute one and the same agreement.

19. Miscellaneous

19.1 Time is of the essence in each and every term, condition, obligation and provision of this Agreement.

19.2 This Agreement shall be construed as a whole and in accordance with its fair meaning, the captions being for the convenience of the parties hereto only and not intended to describe or define the provisions in the portions of the Agreement to which they pertain.

19.3 All periods of time referred to in this Agreement shall include all Saturdays, Sundays and state or national holidays, unless the period of time specifies business days, provided that if the date or last date to perform any act or give any notice with respect to this Agreement shall fall on a Saturday, Sunday or state or national holiday, such act or notice may be timely performed or given on the next succeeding day which is not a Saturday, Sunday or state or national holiday.

19.4 The unenforceability, invalidity, or illegality of any provision of this Agreement shall not render the other provisions hereof unenforceable, invalid or illegal. The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

19.5 The warranties, covenants and obligations of each of the parties under the provisions of this Agreement, including the Ground Lease, if the Option is timely exercised, to the extent the same have not been fully performed and excepting those covenants and obligations which have been extinguished by the expiration of a specified period of time, shall survive the exercise of the Option and entry into the Ground Lease.

19.6 The parties hereto hereby agree that Developer may not record this Option without first obtaining the written consent of the Port. If Developer records this Option in violation of this clause, all rights, powers, privileges of Developer shall terminate automatically and the Option Fee shall be considered forfeited.

19.7 Developer acknowledges that Port is a public entity and all of its records (with limited exceptions) are subject to public records requests.

19.8 The Recitals and each exhibit attached hereto are hereby incorporated herein by reference.

19.9 Except where a party hereto is specifically permitted to act in its sole discretion, each party hereto agrees to act reasonably and in good faith with respect to the performance and fulfillment of the terms of each and every covenant and condition contained in this Agreement. Additionally, except as to consents and approvals which may be withheld or granted in a party's sole discretion, all consents and approvals shall be reasonable and without condition or delay.

19.10 The language in all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning, and not strictly for or against either party.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this Agreement as of the date set forth above.

PORT:

PORT OF SEATTLE,
a Washington municipal corporation

By: _____

Name: _____

Title: _____

DEVELOPER:

CREDIT LEASE INVESTMENTS LLC,
a Delaware limited liability company

By: _____

Name: Charlene Alderete

Title: Co-Managing Member

ACKNOWLEDGMENTS

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this ____ day of _____, 2014 before me personally appeared _____, to me known to be the _____ 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 ILLINOIS)
) ss
COUNTY OF LAKE)

On this ____ day of _____, 2014, before me personally appeared _____, to me known to be the _____ of _____, the _____ that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said _____, 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 Illinois,
residing at _____
My Commission expires: _____

EXHIBIT A

Property Description

An approximately twenty (20) acre site located at the northwest corner of South 200th Street and 24th Avenue South in the City of SeaTac, Washington including King County Parcel Numbers 772760-0020, 638900-0030, and 042204-9136 and more particularly described as follows:

Parcel 042204-9136 Legal Description

PARCEL A: E 101 FT OF S 325 FT OF W HALF OF 25 ACRES OF SW QTR NE QTR STR 04-22-04; EXC S 30 FT CONVEYED TO KING CO FOR ROAD UNDER RECORDING NO 4836094; PARCEL B: PORTION OF SW QTR NE QTR STR 04-22-04 DAF: BEGINNING AT INTERSECTION OF WLY LINE OF 28TH AVE S WITH NLY LINE OF S 200TH ST SAID POINT BEING 20.00 FT NORTH AND 53.960 FT WEST OF SE CORNER OF SAID SUBDIVISION TH N02-41-05 W ALONG SAID WLY LINE 769.318 FT TO IRON PIPE & TPOB TH N89-44-18W 640.65 FT TO WLY LINE OF E HALF OF S 25 ACRES OF SAID SUBDIVISION TH N02-41-10W ALONG SAID WLY LINE AND NLY PRODUCTION THEREOF 106.41 FT TH S89-44-18E 640.77 FT TO WLY LINE OF 28TH AVE S TH S02-41-05E ALONG SAID WLY LINE 106.41 FT TO TPOB; PARCEL C: PORTION OF SW QTR NE QTR STR 04-22-04 DAF: BEGINNING AT INTERSECTION OF WLY LINE OF 28TH AVE S WITH NLY LINE OF S 200TH ST SAID POINT BEING 20.00 FT NORTH AND 53.960 FT WEST OF SE CORNER OF SAID SUBDIVISION TH N02-41-05 W ALONG SAID WLY LINE 769.318 FT TO IRON PIPE & TPOB TH N89-44-18W 640.65 FT TO WLY LINE OF E HALF OF S 25 ACRES OF SAID SUBDIVISION TH S02-41-10E ALONG SAID WLY LINE 241.8 FT TO POINT THAT IS N02-41-10W 530.37 FT FROM INTERSECTION OF SAID WLY LINE WITH N LINE OF S 200TH ST TH ELY TO POINT ON WLY LINE OF 28TH AVE S THAT IS 527.60 FT NLY OF INTERSECTION OF SAID WLY LINE WITH N LINE OF S 200TH ST TH N02-41-05W ALONG SAID WLY LINE 241.70 FT MORE OR LESS TO TPOB; PARCEL D: PORTION OF SW QTR NE QTR STR 04-22-04 DAF: BEGINNING AT INTERSECTION OF WLY LINE OF 28TH AVE S WITH NLY LINE OF S 200TH ST SAID POINT BEING 20.00 FT NORTH AND 53.960 FT WEST OF SE CORNER OF SAID SUBDIVISION TH N02-41-05W ALONG SAID WLY LINE 427.60 FT TO TPOB TH WESTERLY TO POINT ON WLY LINE OF E HALF OF S 25 ACRES OF SAID SUBDIVISION THAT IS N02-46-30W 430.37 FT FROM INTERSECTION OF SAID WLY LINE WITH N LINE OF S 200TH ST TH N02-46-30W ALONG SAID WLY LINE 100.00 FT TH ELY TO POINT ON WLY LINE OF 28TH AVE S THAT IS 100.00 FT NLY OF TPOB TH S02-41-05E ALONG SAID WLY LINE 100.00 FT TO TPOB; PARCEL E: PORTION OF SW QTR NE QTR STR 04-22-04 DAF: BEGINNING AT INTERSECTION OF WLY LINE OF 28TH AVE S WITH NLY LINE OF S 200TH ST SAID POINT BEING 20.00 FT NORTH AND 53.960 FT WEST OF SE CORNER OF SAID SUBDIVISION TH WEST ALONG SAID NLY LINE 339.30 FT TO TPOB TH CONTINUING ALONG SAID NLY LINE 300 FT TO POINT ON WLY LINE OF E HALF OF S 25 ACRES OF SAID SUBDIVISION TH N02-46-30W ALONG SAID WLY LINE 430.37 FT TH S89-45-20E 300.06 FT TH S02-46-30E 429.08 FT TO TPOB; EXC S 10 FT THEREOF CONVEYED TO KING CO FOR ROAD BY DEEDS UNDER RECORDING NOS 4838298, 4838299 AND 4838300; AND EXC PORTION WITHIN N 10 FT OF S 30 FT OF SAID SW QTR NE QTR STR 04-22-04; PARCEL F: N 72 FT OF FOLLOWING PORTION OF SW QTR NE QTR STR 04-22-04: BEGINNING AT INTERSECTION OF WLY LINE OF 28TH AVE S WITH NLY LINE OF S 200TH ST SAID POINT BEING 20.00 FT NORTH AND 53.960 FT WEST OF SE CORNER OF SAID SUBDIVISION TH N02-

41-05W ALONG SAID WLY LINE 427.60 FT TH N89-45-20W 240.03 FT TO TPOB TH CONTINUING N89-45-20W 100.02 FT TH S02-46-30E 429.00 FT TO SAID NLY LINE OF S 200TH ST TH EAST ALONG SAID NLY LINE 100.00 FT TH N02-46-30W 428.69 FT TO TPOB; PARCEL G: PORTION OF SW QTR NE QTR STR04- 22-04 DAF: BEGINNING AT INTERSECTION OF WLY LINE OF 28TH AVE S WITH NLY LINE OF S 200TH ST SAID POINT BEING 20.00 FT NORTH AND 53.960 FT WEST OF SE CORNER OF SAID SUBDIVISION TH N02-41-05W ALONG SAID WLY LINE 355.60 FT TO TPOB TH CONTINUING N02-41-05W ALONG SAID WLY LINE 72.0 FT TH N89-45-20W 240.00 FT TH S02-41-05E 72.00 FT TH S89-45-20E 240.00 FT TO TPOB; EXC CONDEMNED BY DECREE OF APPROPRIATION IN KING CO SUPERIOR COURT CAUSE NO 00-2-01428-7KNT RECORDING NO 20001020000308; AND EXC PORTIONS OF ABOVE-DESCRIBED PARCELS LYING ELY OF THAT PROPERTY CONDEMNED FOR STREET RIGHT-OF-WAY AND AWARDED TO CITY OF SEATAC BY DECREE OF APPROPRIATION IN KING CO SUPERIOR COURT CAUSE NO 00-2-01428-7KNT RECORDING NO 20001020000308 **Block:**

Parcel 638900-0030 Legal Description

OLYMPUS HOMES ADDITION LOT 1 THRU 18; TGW ENTIRE VACATED RIGHT-OF-WAY OF 26TH AVENUE S LYING BETWEEN RIGHT-OF-WAY OF S 197TH STREET ON THE NORTH AND RIGHT-OF-WAY OF S 200TH STREET ON THE SOUTH; TGW ENTIRE VACATED RIGHT-OF-WAY OF S 197TH STREET RUNNING ALONG THE NORTH 30.05 FT OF OLYMPUS HOMES ADDITION AT THE N END OF 26TH AVENUE S (SEATAC VACATION ORD NO 98-1044 RECORDING NO 9904151321)

Parcel 772760-0020 Legal Description*

SHAW TERRACE PARK LOT 1 & VACATED LOTS 2 THRU 10 BLK 1 & VACATED LOTS 1 THRU 10 BLK 2 TGW ALL VACATED S 197TH ST & VAC 25TH AVE S IN SD PLAT TGW POR S 230 FT OF SW QTR OF NE QTR STR 04-22-04 LY WEST OF PLAT OF SHAW TERRACE PARK LESS S 30 FT THOF CONV TO KING CO FOR ROAD PURPOSES UNDER REC NO 4836095 TGW W 3 1/2 ACRES OF S 25 ACRES OF SW QTR OF NE QTR STR 04-22-04 LESS S 230 FT THOF & LESS ANY POR LY WITHIN PLAT OF SHAW TERRACE PARK TGW SE QTR OF SE QTR OF NW QTR STR 04-22-04 LESS S 30 FT CONV TO KING CO FOR S 200TH ST TGW S HALF OF NE QTR OF SE QTR OF NW QTR STR 04-22-04 LESS N 62 FT THOF

***Parcel 772760-0020 will be subject to subdivision of the parcel with approximately 8.82 acres located on the East portion of the parcel being dedicated to the assemblage of three parcels making up the 19.7 acre Port of Seattle FAA Headquarters subject site.**

EXHIBIT B

Key Ground Lease Terms and Conditions

1. **Lessor:** Port of Seattle
2. **Lessee:** Credit Lease Investments, LLC 's to-be-formed "CLI-SeaTac, LLC"
3. **Property:** Approximately twenty (20) acres of land in the City of SeaTac comprised of King County Tax Parcel Numbers 772760-0020, 638900-0030, and 042204-9136 (the "Property").
4. **Use:** Corporate office facilities totaling approximately 300,000 rentable square feet (the "Project").
5. **Term:** An initial term of 22 years (the "Initial Term") with ten (10) five year options to extend plus an additional three-year option (each, an "Extension") at Developer's sole option.
6. **Commencement Date:** The term will commence upon execution of the Ground Lease (the "Commencement Date").
7. **Base Rent:** Base Rent will begin on the Commencement Date. Base Rent will be paid in advance on the first day of each month until the end of the Initial Term or any Extension thereof. The following rental schedule ("Base Rent") will apply to the Property:
 - a. **During Construction.** From the Commencement Date to substantial completion of the Project not to exceed twenty-four (24) months, Base Rent shall be ten percent (10%) of the Post Construction Base Rent rate or Eight and One One-Hundreds Cents (\$0.081) per land square foot per year NNN.
 - b. **Post Construction.** From substantial completion of the Project to five (5) years from such date, Lessee agrees to pay Lessor Eighty-One Cents (\$0.81) per land square foot per year NNN. This amount represents a Eight percent (8.00%) annual return on a Ten Dollar and Seventeen Cents (\$10.17) per square foot land value for the Property.
 - c. **Rent Adjustments.** Adjustments to the Base Rent will occur at the beginning of the 8th year of the Ground Lease and every five (5) years thereafter (years 13, 18, etc. each, an "Adjustment Date"). Upon each Adjustment Date, the Base Rent will be increased by five percent (5%) per year compounded annually compared to the prior 5-year period.
 - d. **FMV Re-appraisals.** At the beginning of the twenty-third (23rd) agreement year and any Extension options that Lessee may choose to exercise, the Base Rent will be adjusted to the then-current fair market value ("FMV") rental rate for the Property considering similarly situated industrial property in reasonable proximity to the

Property. Adjustments to the then applicable Base Rent will occur at the beginning of the 28th and 33rd agreement years of the Ground Lease (and any Extensions as applicable) following the same adjustment method stated above. The value of any improvements made to the Property by Lessee will not be considered in establishing the FMV rental rate. In no event will the reset Base Rent amounts be less than the Base Rent for the immediately prior 5-year period and no greater than ten percent (10%) increase from the previous five (5) years.

Lessor will obtain an appraisal of the Property no sooner than one hundred eighty (180) days before the date for the FMV adjustment of the Base Rent. Lessor will deliver the appraisal to Lessee upon completion. In the event Lessee disputes the FMV determined by Lessor's appraisal and Lessor and Lessee cannot agree on the adjusted Base Rent for the Property within ninety (90) days prior to the effective date of the adjustment, Lessor and Lessee will each deliver to the other a "Final Offer", and thereafter, the adjusted Base Rent of the Property will be determined by three arbitrators, each of whom will be a member of one of the Society of Industrial Realtors, the American Society of Real Estate Counselors or the Washington-British Columbia Chapter of the American Institute of Real Estate Appraisers. Lessor and Lessee will each select and fully compensate one of these arbitrators and the third arbitrator will be selected by the other two and compensated in equal shares by Lessor and Lessee. The arbitrators will select one of the Final Offers as the resolution of the dispute, and may not render a compromise decision.

8. **Operating Expenses:** The Ground Lease will be an absolute net lease. The Base Rent due to Lessor will be completely free and clear of all charges and deductions. Lessee agrees to pay directly to all third parties the total of all costs and expenses related to the operation and maintenance of the Property and the Project, including the following expenses:
 - a. **Utilities.** Lessee will pay for all utilities, including storm water charges.
 - b. **Leasehold Excise Tax.** In lieu of property taxes, Lessee will pay leasehold excise tax, which is currently equal to 12.84% of monthly Base Rent.
 - c. **Insurance.** Lessee must secure and maintain appropriate liability insurance during the Ground Lease Term and any Extensions thereof. Prior to the Commencement Date, Lessee must furnish to Lessor acceptable certificates of insurance, including an additional endorsement for each of the required insurance types.
 - d. **Maintenance.** Lessee will undertake all maintenance and make all repairs and replacements necessary to keep the Property and the Project in thorough good order, condition and repair.

9. **Hazardous Substances:** Hazardous Substance means any hazardous or toxic substance, material or waste that is or may become regulated or subject to cleanup authority by any jurisdiction under any environmental laws.

Lessee will not allow the release, spill, discharge, leak, emission, injection, escape, migration, or dumping in, on, about, from or adjacent to the Property of any Hazardous Substance. If Lessee, or the Property, is in violation of any environmental law concerning the presence or use of Hazardous Substances or the handling or storing of hazardous wastes, Lessee will promptly take such action as is necessary to mitigate and correct the violation. If Lessee does not act in a prudent and prompt manner, Lessor reserves the right, but not the obligation, to come onto the Property, to act in place of the Lessee. Lessor will have access to the Property to conduct environmental inspections, including (but not limited to) an environmental audit.

Lessee agrees to defend, indemnify and hold Lessor free and harmless from any and all claims, causes of action, regulatory demands, liabilities, fines, penalties, losses, and expenses arising from the existence or discovery of any Hazardous Substance on the Property made, commenced or incurred during the Ground Lease Term or any Extension thereof.

Notwithstanding the foregoing, in no event will Lessee be liable for, and Lessor will hold Lessee free and harmless from any and all claims, causes of action, regulatory demands, liabilities, fines, penalties, losses, and expenses arising from any pre-existing Hazardous Substances. Any Hazardous Substances found during construction of the Project that are not attributable to Lessee will be managed consistent with the Work Plan (as defined below).

Lessor has no knowledge of any environmental contamination on the Property.

10. Environmental Compliance: Lessee will conduct an environmental assessment (the "Pre-Lease Environmental Evaluation") of the Property prior to and during construction of the Project to identify, to the extent practicable, the nature and extent of Hazardous Substances, if any, present on the Property (the "Pre-Lease Environmental Condition"). Lessee will prepare a Pre-Lease Environmental Evaluation report to be reviewed and approved by Lessor, which approval will not be unreasonably withheld. The Pre-Lease Environmental Evaluation will establish the Pre-Lease Environmental Condition.

Lessee will also prepare an environmental construction support work plan (the "Work Plan") to facilitate Lessee's construction of the Project, minimize construction delays caused by the presence of Hazardous Substances, if any, and minimize unanticipated contractor actions required by any such contamination. The Work Plan will be designed to allow for integrated, cooperative and mutually supportive action between the contractor, Lessee's construction management representatives, and Lessee's and Lessor's on-site environmental professionals.

Within ninety (90) days of the termination or expiration of the Ground Lease, Lessee will, at its sole cost and expense, conduct an environmental assessment of the Property to identify, to the extent practicable, the nature and extent of any Hazardous Substances, if any, present on the Property but not documented in the Pre-Lease Environmental Condition (the "Post-Lease Environmental Evaluation"). Lessee will prepare a Post-Lease Environmental Evaluation report to be reviewed and approved by Lessor, which approval will not be unreasonably

withheld. The Post-Lease Environmental Evaluation will establish the Post-Lease Environmental Condition.

Before vacating the Property, Lessee will remove and clean up any Hazardous Substances associated with Lessee's occupancy of the Property during the Ground Lease Term or any Extension thereof as identified in the Post-Lease Environmental Condition.

- 11. Sustainable Development:** Lessor encourages Lessee to integrate sustainable development elements in the planning, design, construction and operation of the Project to the extent such elements are technically and financially practical, including but not limited to the following elements:
- Incorporation of sustainable materials and construction practices;
 - Incorporation of design and technologies to reduce energy use; and
 - Consideration of LEED certification for new construction.
- 12. Plan Review:** Prior to Lessee's signing of the improvement lease with the GSA, Lessor will review and provide written approval of the Project, which approval will not be unreasonably withheld or conditioned. Lessee will deliver preliminary plans and specifications for the Project and prepare final plans and specifications substantially conforming to any conceptual and preliminary plans previously approved by Lessor, except for any non-conforming modifications required by the GSA. Lessor will review, inspect and approve the work related to the design at thirty percent (30%), sixty percent (60%), and one hundred percent (100%), including review related to any applicable FAA regulations. Any disapproval by Lessor will be given by written notice to Lessee specifying the reasons for such disapproval. Lessor understands that it shall not have the right to disapprove any Preliminary Plans due to the GSA's non-conforming modifications as Lessee must close on its financing of the Project based on Preliminary Plans.
- 13. Owner's Rep:** Lessee acknowledges that Lessor will engage a third party owner's representative to: (i) coordinate with Lessee throughout the design, design approval, permitting and construction process and (ii) interface with Lessor's staff throughout planning, design and construction of the site utilities and infrastructure for the Project. Lessee agrees to reimburse Lessor's owner's representative costs up to Two Hundred Thousand Dollars (\$200,000) within thirty (30) days of receipt of Lessor's invoice for such reimbursement. Lessee will only be responsible for work performed by Lessor's third party owner's representative after the closing of the Lessee's acquisition financing.
- 14. Performance Bond:** Before any construction of the Project is commenced, Lessee will provide Lessor with a copy of Lessee's contract with the general contractor and with evidence of the general contractor's financial condition for Lessor's approval of the contractor and contract. The contract must require that the selected general contractor have a payment and performance bond in place.
- 15. Removal of Improvements:** Prior to expiration and not later than ten (10) days following any earlier termination of the Ground Lease, Lessor, at its sole election and discretion, may elect to have Lessee: (i) remove the improvements or modifications to the Property at

Lessee's sole cost and expense or (ii) allow the same to remain on the Property. Different elections may be made as to various portions of the improvements or modifications on the Property. In the event Lessor elects for the removal of any or all of the improvements or modifications to the Property, Lessee will diligently complete such removal within not more than sixty (60) days of Lessor's election or termination (including by expiration) of the Ground Lease, whichever is later.

- 16. Security Deposit:** On or before the Commencement Date, Lessee will pay to Lessor a security deposit equal to one (1) year of Base Rent in a form approved by Lessor.
- 17. Lender Financing:** Any mortgage by Lessee's of its leasehold interest in the Property will at all times be subject and subordinate to the rights of Lessor in the Ground Lease and the Property. Any mortgagee or lien holder with a mortgage or lien which has attached to the leasehold interest of Lessee in the Property will be given written notice of any default by Lessee and will have the right to cure any such default within thirty (30) days of receipt of such notice, provided that Lessee has previously notified Lessor of the identity and address of any such lien holder or mortgagee. The Ground Lease will authorize Lessee's lender to assign Lessee's interest in the Ground Lease in the event of a foreclosure or deed in lieu of foreclosure.
- 18. Assignment; Subletting:** Lessee may assign all or a portion of its interest in the Ground Lease, or sublease all or a portion of the Property to an affiliate of Lessee and in connection with any merger or reorganization or sale of all or a portion of Lessee's assets assuming any assignee has a similarly strong financial condition as the assignor. Any other further assignment or sublease by Lessee will require Lessor's prior written consent, which will not be unreasonably withheld, conditioned, or delayed. In determining whether to consent to an assignment or sublease, Lessor may consider all factors which Lessor reasonably determines in good faith are relevant to its decision. Lessee will reimburse Lessor for all of Lessor's actual and reasonable out-of-pocket expenses related to the assignment or sublet not to exceed Five Thousand Dollars (\$5,000) for any individual proposal. A subordination, non-disturbance and attornment agreement in Lessee's form will be negotiated as part of the Ground Lease and will be executed in the event any party other than Lessee is or becomes the tenant. Any negotiated Ground Lease restrictions will be recorded on title.
- 19. Brokerage Commission:** Lessee will indemnify, defend and hold harmless Lessor from and against any and all commissions and commission claims.
- 20. Non-Discrimination:** The Ground Lease will include a nondiscrimination covenant as follows: "Lessee, for himself or herself, his or her personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person, on the grounds of race, color, sex, creed, or national origin shall be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over or under such land and furnishing of services thereon, no person on the grounds of race, color, sex, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that

the Lessee shall use the premises in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, part 21, Nondiscrimination in Federally assisted programs of the U.S. Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended.”

