

5th AMENDMENT TO LEASE  
BETWEEN  
PORT OF SEATTLE  
AND  
SEAVIEW BOATYARD WEST, INC.  
AT  
SHILSHOLE BAY MARINA

THIS 5th AMENDMENT TO LEASE made as of \_\_\_\_\_, 20\_\_\_\_, by and between the PORT OF SEATTLE, a Washington municipal corporation, hereinafter called "the Port," and SEAVIEW BOATYARD WEST, INC., a Washington corporation, hereinafter called "Lessee,"

**W I T N E S S E T H :**

WHEREAS, the parties entered into a lease agreement dated June 23, 1996, hereinafter called "Basic Lease," covering certain premises and activities by Lessee at Shilshole Bay Marina, Seattle, Washington, which was subsequently amended by Amendment(s) dated October 6, 2006; February 23, 2007; July 7, 2011; and September 15, 2011

WHEREAS, the parties now wish to further revise the Basic Lease as previously amended, by 1) Adding an expansion of the boat maintenance yard by approximately 10,000 sf. 2) Adjusting the Security Deposit required by the Lease. 3) Permitting the Lessee to make improvements to existing paint shop and build an additional workshop space within the Premises. 4) Add two (2) five (5) year options to extend.

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

1. The leased area is increased, from 64,385 sf, by an area consisting of approximately 10,000 sf (the "Expansion Area"), as shown on Exhibit A, attached hereto. The measurement of the Expansion Area will be performed by the Port and the actual square footage will be confirmed in writing upon completion of the Expansion Area.
2. The commencement date ("Commencement Date") of the Expansion Area will be effective upon full execution of this 5<sup>th</sup> Amendment to Lease. Effective upon the completion of the Expansion Area, but no later than April 1, 2016, the rent payable by Lessee for all full use and value area in the Premises is increased from \$11,478.27/month to a monthly rate equal to \$2.44 per square foot per year, plus applicable taxes, based on confirmation of the square footage of the completed Expansion Area, as shown on Exhibit B.

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

3. Paragraph 6 of the Basic Lease and Paragraph 6 of the 2<sup>nd</sup> Amendment is hereby deleted in its entirety and replaced with the following:

“6. Security.

“a. Lessee shall, upon execution of this Lease, obtain 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 the amount of FORTY THOUSAND AND 00/100 (\$40,000.00) (hereinafter referred to as “Security”), to secure Lessee’s full performance of this Lease, 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 Lease and throughout any holdover period. If the Security is in a form that periodically requires renewal, Lessee must renew the Security not less than 45 days before the Security is scheduled to expire. 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.

“b. Return of Security. The Security is a part of the consideration for execution of this Lease. If Lessee shall have fully performed all terms and conditions of this Lease, any cash deposit security shall be paid to Lessee within sixty (60) days following the termination (or expiration) date without interest; otherwise the Port shall, in addition to any and all other rights and remedies available under this Lease or at law or equity, retain title thereto.

“c. Application of Security. The Port may apply all or part of the Security to unpaid Rent or any other unpaid sum due hereunder, or to cure other defaults of Lessee. If the Port uses any part of the Security, Lessee shall restore the Security to its then-currently required amount within fifteen (15) days after the receipt of the Port’s written request to do so. The retention or application of such Security by the Port pursuant to this Section does not constitute a limitation on or waiver of the Port’s right to seek further remedy under law or equity.”

4. The Lessee’s plans to make improvements to the existing paint shop and to construct an additional building are subject to review and written approval by the Port pursuant to Section 13 of the Basic Lease. All expenses related to this project are the sole responsibility of Seaview Boatyard West, Inc.
5. The Expansion Area requires the relocation of two existing tenant premises to an alternate yard area, as defined by the Port. Work related to this relocation will be completed at the

sole expense of Seaview Boatyard West, Inc. and is subject to review and prior written approval of the Port pursuant to Section 13 of the Basic Lease.

6. If Lessee is in compliance with the terms and conditions of this Lease, Lessee has, upon written notice to the Port given not less than ninety (90) days or more than one hundred (180) days in advance of expiration of the initial (or extended) Lease term, the option to renew this Lease for two (2) additional five (5) year terms.
7. Exhibit "A and B" are attached hereto and incorporated herein.
8. Except as expressly amended herein, all provisions of the Basic Lease (as previously amended) shall remain in full force and effect.

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

LESSOR  
PORT OF SEATTLE  
a municipal corporation

LESSEE  
SEAVIEW BOATYARD WEST, INC

By \_\_\_\_\_  
Its \_\_\_\_\_

By \_\_\_\_\_  
Its \_\_\_\_\_

Notary to Fifth Amendment to Lease  
with Seaview Boatyard West, Inc.  
at Shilshole Bay Marina.

STATE OF WASHINGTON )  
 ) ss  
COUNTY OF KING )

On this \_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ 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 WASHINGTON )  
 ) ss  
COUNTY OF KING )

On this \_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ before me personally appeared \_\_\_\_\_, 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: \_\_\_\_\_

FIFTH AMENDMENT  
EXHIBIT A

– Premises –

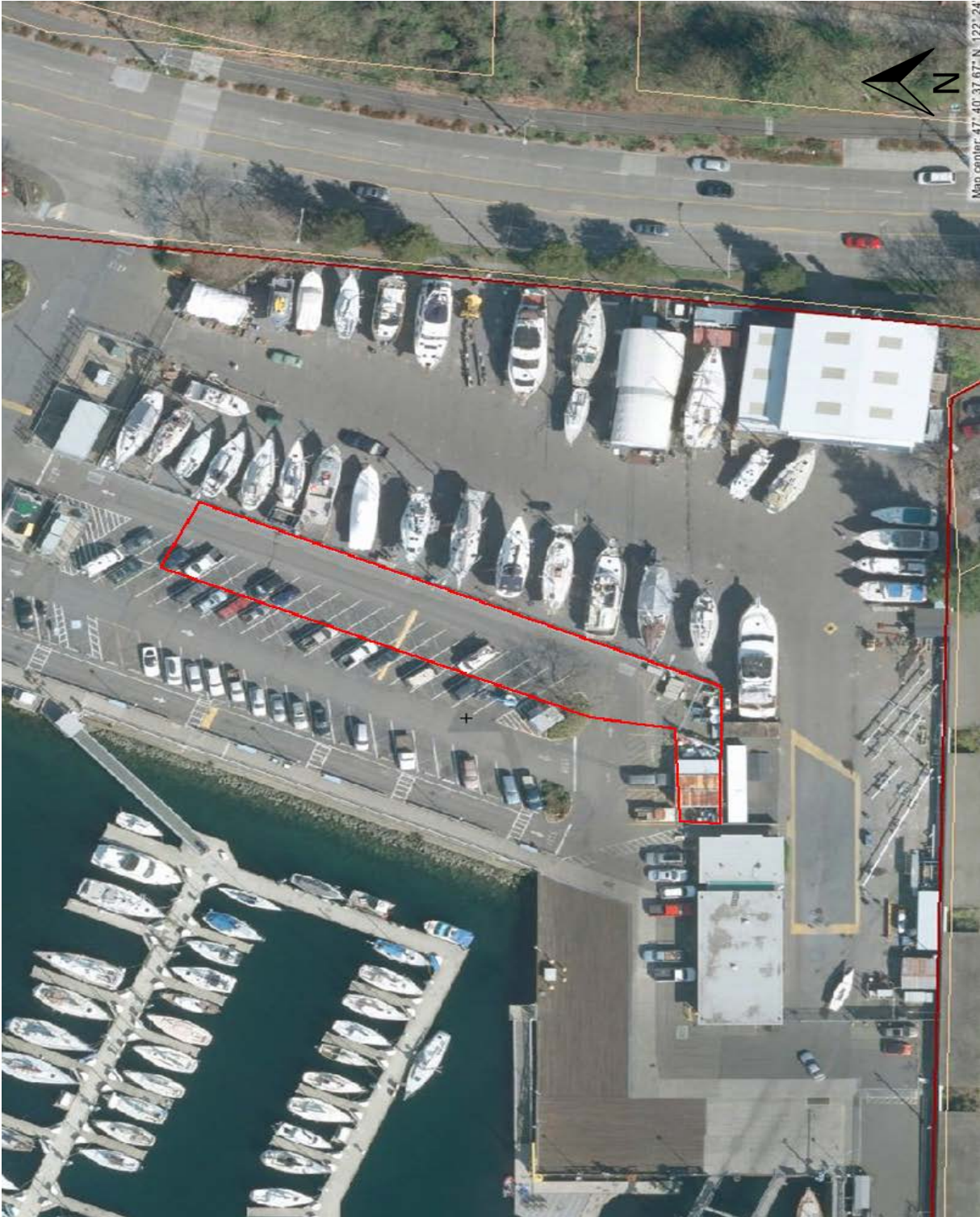


EXHIBIT B  
– RENT DETAIL –

<u>DESCRIPTION</u>	<u>USE</u>	<u>RATE</u>	<u>SIZE</u>	<u>ANNUAL RENT</u>
<b><u>Full Use/ Value Area</u></b>				
5th Amendment expansion	yard space	\$2.44	<b>10,000*</b>	\$24,400.00
			*Per Paragraph 3, to be confirmed	
3rd Amendment expansion	yard space	\$2.44	1,541	\$3,760.04
2nd Amendment expansion	yard space	\$2.44	6,220	\$15,176.80
Main Yard Area	repairs/lay days	\$2.44	26,000	\$63,440.00
Paint Build Land	paint shop	\$2.44	3,600	\$8,784.00
Equipment Storage	haz-mat	\$2.44	286	\$697.84
Building - Misc.	pressure wash building/staff trailer	\$2.44	500	\$1,220.00
Pressure Wash Pad	pressure washing	\$2.44	810	\$1,976.40
<b><u>Limited Use/Value Are</u></b>				
Preferential Use Area	access route to yard	\$0.52	19,080	\$9,921.60
Mast Storage	mast repair/ storage	\$0.52	2,350	\$1,222.00
<b><u>Ground Lease Area</u></b>				
Submerged Land	travel lift piers	\$0.62	1,740	\$1,078.80
<b><u>Buildings</u></b>				
Office/storage	block building	\$12.94	2,258	\$29,218.52
<b><i>per square foot total</i></b>			<b>74,385</b>	<b>\$160,896.00/yr</b> <b>\$13,408.00/mo</b> <b>\$2.16/sf/yr</b>
<b><u>Jib Cranes</u></b>				
	Mast retrieval			\$1,246.19
				\$162,142.19
<b>Monthly Total</b>				<b>\$13,511.85</b>