Ordinance No. 122881

Council Bill No. 116347

Legislation Title: AN ORDINANCE relating to the Neighborhood Parks, Green Spaces, Trails, and Zoo Levy; authorizing the acquisition of real property commonly known as 2100 Westlake Avenue; authorizing acceptance of the deed for open space, park, and recreation purposes; increasing appropriations to the Department of Parks and Recreation in the 2008 Budget; all by a three-fourths vote of the City Council.

CF No. _____

Date Introduced: 9.15.08	
Date 1st Referred:	To: Parks & Seattle Center (PSC)
Date Re - Referred:	To: (committee)
Date Re - Referred:	To: (committee)
Date of Final Passage: 12-15-08	Full Council Vote: 9-0
Date Presented to Mayor: 12-16-08	Date Approved: 12.19.08
Date Returned to City Clerk: 12.22.08	Date Published: 4 T.O. ✓ F.T. ___
Date Vetoed by Mayor:	Date Veto Published:
Date Passed Over Veto:	Veto Sustained:

The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by: Tim Burgess
Councilmember

Committee Action:

12-9-08 Pass as substituted 2-0 TR, RC

12-15-08 Passed 9-0

This file is complete and ready for presentation to Full Council. Committee: _____ (initial/date)

Law Department

Law Dept. Review | OMP Review | City Clerk Review | Electronic Copy Loaded | Indexed

ORDINANCE 122881

AN ORDINANCE relating to the Neighborhood Parks, Green Spaces, Trails, and Zoo Levy; authorizing the acquisition of real property commonly known as 2100 Westlake Avenue; authorizing acceptance of the deed for open space, park, and recreation purposes; increasing appropriations to the Department of Parks and Recreation in the 2008 Budget; all by a three-fourths vote of the City Council.

WHEREAS, Ordinance 120024 proposed the Neighborhood Parks, Green Spaces, Trails, and Zoo Levy ("2000 Parks Levy") to provide funding for, among other things, property acquisitions identified by neighborhood and community groups; and

WHEREAS, the voters of Seattle approved the 2000 Parks Levy on November 7, 2000; and

WHEREAS, the 2000 Parks Levy program includes an Acquisition and Development Opportunity Fund ("Opportunity Fund"), making available up to Ten Million Dollars ($10,000,000) to fund acquisition and development projects not identified for funding in the remainder of the program; and

WHEREAS, Ordinance 120024 established a Parks and Green Spaces Levy Oversight Committee ("Oversight Committee"), with responsibilities to include adopting evaluation criteria and recommending Opportunity Fund awards to the Superintendent, Mayor, and City Council; and

WHEREAS, the Oversight Committee conducted an extensive public process regarding acquisition and development projects to be funded in the first cycle of the Opportunity Fund; and

WHEREAS, the Oversight Committee recommended the allocation of Six Million Dollars ($6,000,000) for the Opportunity Fund's first funding cycle, including Five Million Dollars ($5,000,000) for acquisition projects and One Million Dollars ($1,000,000) for development projects; and

WHEREAS, the Oversight Committee recommended first cycle-awards for property acquisitions in multiple locations, including the Denny Triangle; and

WHEREAS, Ordinance 120869 accepted the recommendations of the Oversight Committee and authorized the Superintendent of Parks and Recreation to conduct planning activities of any or all of the parcels recommended by the Oversight Committee, including the Denny Triangle; and

WHEREAS, Ordinance 121775 authorized the City to deposit collections of 2003 King County Conservation Futures Levy proceeds into the 2000 Parks Levy Fund, including an allocation for land acquisition in the Denny Triangle Urban Village; and

WHEREAS, the King County Conservation Futures Citizen's Oversight Committee has recommended an additional allocation of 2009 King County Conservation Futures Levy proceeds be directed to land acquisition in the Denny Triangle Urban Village subject to the approval of an amendment to an existing interlocal agreement between both the King County and the City of Seattle; and

WHEREAS, Ordinance 119729 created the Denny Triangle Amenity Fund to enable the use of real estate developer payments associated with the Transfer of Development Credit Program to finance the provision of public open space, improvements to existing open space, and development of designated green streets within the Denny Triangle Urban Village and Ordinance 122301 appropriated the referenced payments; and

WHEREAS, the acquisition of real property commonly known as 2100 Westlake Avenue meets the criteria for expenditures from the Denny Triangle Amenity Fund;

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The Superintendent of Parks and Recreation ("Superintendent"), or his designee, is authorized, on behalf of the City of Seattle, to acquire substantially in accordance with the terms of the Real Estate Purchase and Sale Agreement attached hereto as Attachment 1 ("Agreement") the following described real property ("Property"):

That portion of Lots 1, 2, and 3, Block 24, Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's 2nd Addition to the City of Seattle), according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington, lying easterly of and excepting thereof that portion condemned in King County Superior Court Cause Number 36118 for Westlake Avenue, as provided by Ordinance Number 7733 of the City of Seattle.

Section 2. The Superintendent or his designee is authorized to execute such documents as he deems necessary or desirable to accomplish acquisition of the Property, including, without limitation, such consents, approvals, extensions of time and minor amendments of the Agreement as he shall deem appropriate to carry out the intent of this ordinance. Upon delivery of the statutory warranty deed for the Property, the Superintendent or his designee is authorized to accept the deed on behalf of the City of Seattle by attaching to the deed his written acceptance thereof, and to record the same. The Property shall be accepted for open space, park, and recreation purposes, and placed under the jurisdiction of the Department of Parks and Recreation.

Section 3. To pay for the Property and for necessary related costs and expenses, the appropriation for the following in the 2008 Adopted Budget is increased from the fund shown, as follows:

Fund	**Department**	**Capital Improvement Program: Program (Number)**	**Amount**
2000 Parks Levy Fund (33850)	Parks and Recreation	2000 Parks Levy - Opportunity Fund - Acquisition (K723007)	$2,516,190

Section 4. Any act consistent with the authority and taken after passage of this ordinance, but prior to the effective date, is hereby ratified and confirmed.

CITY CLERK

Section 5. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by a three-fourths (3/4) vote of all the members of the City Council the 15th day of December, 2008, and signed by me in open session in authentication of its passage this 15th day of December, 2008.

President _____ of the City Council

Approved by me this 18th day of December, 2008.

Gregory J. Nickels, Mayor

Filed by me this 22nd day of December, 2008.

City Clerk

(Seal)

Attachment 1: Real Estate Purchase and Sale Agreement

Attachment 1

AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY

THIS AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY (this "***Agreement***") is made by and between CORNISH COLLEGE OF THE ARTS, a Washington non-profit corporation ("***Seller***"), and THE CITY OF SEATTLE, a Washington municipal corporation ("***Buyer***"). This Agreement is made effective as of the date it has been executed by both Seller and Buyer (the "***Effective Date***").

In consideration of the terms and conditions of this Agreement, and the mutual covenants herein contained, Seller and Buyer hereby agree as follows:

1. Property. The "***Property***" subject to this Agreement consists of all of the following:

(a) That certain real property with a street address of 2100 Westlake Avenue located in Seattle, Washington and more particularly described in Exhibit A attached together with all buildings, structures and other permanent improvements thereon (the "***Real Property***").

(b) All rights, privileges and easements appurtenant to the Real Property, including without limitation all minerals, oil, gas and other hydrocarbon substances on the Land, all development rights, air rights, and any and all appurtenances used in connection with the beneficial use and enjoyment of the Real Property.

2. Purchase Price; Payment. Subject to the provisions of this Agreement, Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller the Property for an aggregate price of **Two Million Seven Hundred Fifty Thousand and NO/100 Dollars (U.S. $2,750,000.00)** (the "***Purchase Price***").

2.1 Deposit. No later than 5 business days after mutual execution of this Agreement, Buyer will open an escrow account with Pacific Northwest Title Company of Washington, Inc., 215 Columbia Street, Seattle, Washington 98104 (referred to hereafter as "***Escrow Agent***" or "***Title Company***") and shall deliver to Escrow Agent a deposit of Five Thousand and NO/100 Dollars ($5,000.00) (the "***Deposit***") together with a fully executed copy of this Agreement. Escrow Agent shall place the Deposit in an interest-bearing account. Buyer shall be entitled to all interest accrued on the Deposit. At Closing (defined below), Escrow Agent shall apply the Deposit, together with the interested accrued thereon (if any) to the Purchase Price.

2.2 Payment of Remainder of Purchase Price. The balance of the Purchase Price shall be paid in cash, certified funds or other good funds at Closing.

3. Conveyance; Title Insurance.

3.1 Conveyance. At Closing, Seller shall convey the Property to Buyer by bargain and sale deed ("***Deed***"), free and clear of any and all liens, encumbrances, defects, easements, conditions, and restrictions except that certain Commercial Lease between Howard K. Anderson and Dorcas Anderson, as lessor, and Enterprise Leasing Company d/b/a/ Enterprise Rent-A-Car ("***Enterprise***"), as lessee, a true and correct copy of which is attached hereto as Exhibit B (the "***Enterprise Lease***"), those matters listed on Exhibit C and such other matters as may be accepted in writing by Buyer prior to Closing (collectively, the "***Permitted Exceptions***"). Also at Closing, Seller shall assign a partial lessor's interest in the Enterprise Lease to Buyer by a partial assignment of lease, in the form attached hereto as Exhibit D and incorporated herein (the "***Partial Assignment of Lease***").

3.2 Title Insurance. Buyer's title to the Property shall be insured under an ALTA extended coverage owner's policy of title insurance issued pursuant to the preliminary commitment for title insurance from the Title Company, No. 590369, dated April 8, 2005 and July 30, 2007 and all supplements thereto (the "***Title Report***"). At its sole cost and expense (if required by the Title Company to issue an extended coverage owner's ALTA title insurance policy) Buyer shall obtain an update to the Title Report and a survey of the Property. Seller shall satisfy all requirements reasonably requested of Seller by the Title Company in connection with issuance of an extended coverage owner's ALTA title insurance policy insuring Buyer's title to the Property in the amount of the Purchase Price subject only to the printed exclusions, the general exceptions appearing in the policy form and the Permitted Exceptions.

4. Conditions Precedent; Feasibility Period.

4.1. Buyer Conditions. The obligations of Buyer under this Agreement are subject to the satisfaction or waiver of the following conditions, which are for the benefit of Buyer and may be satisfied or waived only in writing by Buyer. If any of the following conditions has not been satisfied or waived in writing on or before Closing (or such earlier date as provided elsewhere in this Agreement), then this Agreement shall terminate upon Buyer's written notice to Seller, Buyer shall be entitled to return of the Deposit together with the interest accrued thereon (if any) and the parties shall have no further obligations to one another except those which expressly survive Closing or earlier termination of this Agreement.

4.1.1 Representations, Warranties and Covenants of Seller. Seller's representations and warranties in this Agreement shall be true and correct as of Closing.

4.1.2 No Material Adverse Changes. As of Closing, there shall have been no material adverse change in the physical condition of the Property from the date of this Agreement.

4.1.3 No Seller Bankruptcy. At no time prior to Closing, (i) shall there be filed by or against Seller a petition in bankruptcy or insolvency or a petition seeking to effect any plan or other arrangement with creditors or seeking the appointment of a receiver and that is not discharged or dismissed before Closing; (ii) shall there have been a receiver or liquidator appointed for all or substantially all of Seller's property; or (iii) shall Seller have made an assignment for the benefit of creditors or taken any other similar action for the benefit or protection of creditors.

4.1.4 Ordinance. On or before Closing, an ordinance shall have been passed by the Seattle City Council and signed by the Mayor authorizing the transaction contemplated by this Agreement and appropriating funds to complete this transaction.

4.1.5 Title Insurance. On the date of Closing, Title Company shall be irrevocably committed to issuing to Buyer an extended coverage owner's ALTA title insurance policy (or a standard coverage owner's title insurance policy, at Buyer's sole election), dated as of the date of Closing and insuring Buyer in the amount of the Purchase Price against loss or damage by reason of defect in Buyer's title to the Property, subject only to the printed exclusions and general exceptions appearing in the policy form and the Permitted Exceptions.

4.1.6 Tenant Certificate. On or before Closing, Seller shall have delivered to Buyer an estoppel certificate signed by the authorized representative(s) of Enterprise Leasing Company dba Enterprise Rent-A-Car, effective as of the date of signature and the date of Closing, substantially in the form attached hereto as Exhibit E and incorporated herein (the "***Tenant Certificate***").

4.1.7 Compliance With Obligations. Seller shall have performed and complied in all material aspects, at the appropriate times for such performance and compliance, with the obligations, covenants, conditions and agreements under this Agreement to be performed by Seller.

4.2. Seller Conditions. The obligation of Seller to convey the Property to Buyer is subject to the satisfaction or waiver of the following conditions within the time periods specified below, which conditions are for the benefit of Seller and may be satisfied or waived only in writing by Seller. If any of the following conditions is not satisfied or waived in writing on or before Closing (or such earlier date as provided elsewhere in this Agreement), then this Agreement shall terminate upon Seller's written notice to Buyer, Buyer shall be entitled to return of the Deposit together and the interest accrued thereon (if any) and the parties shall have no further obligations to one another except those which expressly survive Closing or earlier termination of this Agreement.

4.2.1 Compliance With Obligations. Buyer shall have performed and complied in all material aspects, at the appropriate times for such performance and compliance, with the obligations, covenants, conditions and agreements under this Agreement to be performed by Buyer.

4.2.2 Representations, Warranties and Covenants of Buyer. Buyer's representations and warranties in this Agreement shall be true and correct as of Closing.

4.2.3 Temporary Use Permit. On the date of Closing, Buyer shall have executed and delivered to Seller a Temporary Use Permit in favor of Seller in the form attached hereto as Exhibit F (the "***Temporary Use Permit***").

5. Seller's Representations and Warranties. Seller represents, warrants, and covenants as follows, which representations, warranties, and covenants shall survive Closing and shall not be merged in any deed or agreement delivered at Closing.

5.1 Authority of Seller. Seller is the sole owner of the fee interest in the Property and the persons signing on behalf of Seller have full power and authority to execute this Agreement and perform Seller's obligations hereunder including execution and delivery of the Deed and the Partial Assignment of Lease. When executed and delivered by Seller, this Agreement shall constitute a legal, valid, and binding obligation of Seller.

5.2 Agreements to Transfer or Encumber. Seller has neither committed nor obligated itself in any manner whatsoever to sell, lease or encumber the Property or any interest therein to any party other than to Buyer or as set forth in the Enterprise Lease.

5.3 Bankruptcy, Etc. No bankruptcy, insolvency, rearrangement or similar action involving Seller or the Property, whether voluntary or involuntary, is pending, threatened by a third party, or contemplated by Seller.

5.4 Litigation. To the best of Seller's knowledge, there are no pending or threatened judicial, municipal or administrative proceedings with respect to this transaction or in any manner affecting the Property or any portion thereof or in which Seller is or will be a party by reason of Seller's ownership of the Property or any portion thereof.

5.5 Notices. Seller has not received any notices from any insurance companies, governmental agencies or from any other parties with respect to any violations or other matters concerning the Property.

5.6 Tax Returns. To the best of Seller's knowledge, Seller has filed all local, state and federal tax forms that are required to be filed by Seller, has paid all taxes due and payable by Seller to date and will pay all such taxes that become due and payable by Seller prior to Closing.

5.7 Underground Storage Tanks. Other than as disclosed to Buyer in the "Phase I and II Environmental Site Assessment" dated October 30, 2007 prepared by GeoEngineers, Inc. which has been previously delivered to Buyer, to the best of Seller's knowledge there are no cisterns, wells, subterranean storage or underground storage tanks on the Property and underground storage tanks have not been removed from the Property.

5.8 Leases, Service Contracts or Other Contracts. Other than the Enterprise Lease, to the best of Seller's knowledge as of Closing, no leases, service contracts or other contracts are in place regarding or related to the Property.

5.9 Mechanic's Liens. To the best of Seller's knowledge, no labor, material or services have been furnished in, on or about the Property or any part thereof as a result of which any mechanics', laborer's or materialmen's liens or claims might arise.

5.10 Assumption of Liabilities. Other than: (i) such obligations as may be expressly assumed by Buyer under the Partial Assignment of Lease; and (ii) any liens or other obligations with respect to the Property that result from any action or activities by or on behalf of Buyer after Closing, Seller will pay and discharge any and all liabilities of each and every kind arising prior to Closing out of or by virtue of the possession, ownership or use of the Property and shall indemnify, defend and hold Buyer harmless therefrom.

5.11 Further Information. From the date of this Agreement to the Closing date, Seller will notify Buyer of each event of which Seller becomes aware that affects the Property or any part thereof immediately upon learning of the occurrence of such event.

5.12 Environmental Compliance. In addition to and without limiting any other representations, warranties, covenants and agreements in this Agreement, Seller represents, warrants, covenants and agrees:

(a) **Hazardous Substances**. Seller has not used, generated, manufactured, produced, stored, released, discharged or disposed of on, under, above or about the Property (or off-site of the Property that might affect the Property) or transported to or from the Property, any Hazardous Substance. Other than as disclosed to Buyer in the "Phase I and II Environmental Site Assessment" dated October 30, 2007 prepared by GeoEngineers, Inc. which has been previously delivered to Buyer, Seller has no knowledge nor has Seller observed any questionable practice or conduct indicating that any Hazardous Substance has been used, generated, manufactured, produced, stored, released, discharged or disposed of on, under or

above the Property (or off-site of the Property that might affect the Property) or transported to or from the Property by any entity, firm or person, or from any source whatsoever.

(b) **Pre-closing Covenant**. Seller will not use, generate, manufacture, produce, store, release, discharge or dispose of on, under, above or about the Property (or off-site of the Property that might affect the Property), or transport to or from the Property, any Hazardous Substance or authorize any other person or entity to do so, prior to Closing.

(c) **Environmental Indemnity**. Seller shall protect, indemnify, hold harmless and defend Buyer and its elected officials, officers and, employees, from and against any and all loss, damage, cost, expense or liability (including attorneys' fees and costs) directly or indirectly arising out of or attributable to a breach of any representation, warranty, covenant or agreement contained in this Section 5.12 including, without limitation, (a) all consequential damages, and (b) the costs of any required or necessary repairs, cleanup or detoxification of the Property and the preparation and implementation of any closure, remedial or other required plans. This indemnity does not apply to actions of Buyer, its agents or independent contractors.

(d) **Definitions**. The term "***Hazardous Substance***" includes without limitation: (a) those substances included within the definitions of "hazardous substances", "hazardous materials", "toxic substances", "hazardous wastes" or "solid waste" in any Environmental Law; (b) petroleum products and petroleum byproducts; (c) polychlorinated biphenyls; and (d) chlorinated solvents. The term "***Environmental Law***" includes any federal, state, municipal or local law, statute, ordinance, regulation, order or rule pertaining to health, industrial hygiene, environmental conditions or Hazardous Substance.

6. Seller's Pre-closing Obligations.

6.1. Claims, Events and Litigation. Seller shall promptly notify Buyer upon receiving notice of a claim or pending litigation affecting the Property or any part thereof, or notice of any event, transaction, or occurrence before Closing that would have a materially adverse affect the Property or any part thereof.

6.2. Title. Seller shall not lease, convey, mortgage, grant a deed of trust, or contract to do the foregoing or otherwise allow or consent to convey, abandon, relinquish, cloud or encumber title to the Property or any interest therein or part thereof without Buyer's consent.

6.3. Maintenance and Operation. Seller shall maintain the Property in good order, condition and repair prior to Closing.

6.4. No Adverse Actions. Seller shall take no action that will directly or indirectly adversely affect the Property or title to the Property.

7. Closing.

7.1 Closing Date. Closing shall occur in the office of Escrow Agent on a date mutually agreeable to Buyer and Seller, but in no event later than December 31, 2008; *provided* that if the ordinance referred to in Subsection 4.1.4 is not effective by December 31, 2008 and all other conditions set forth in Section 4.1 have been satisfied by December 31, 2008: (i) Buyer shall continue to diligently pursue enactment, if necessary, of such ordinance; (ii) this Agreement shall remain in full force and effect; and (iii) the Closing shall be extended until such time as it is reasonably practicable to close after such ordinance is effective. As used in this Agreement, "***Closing***," "***Closing date***" or "***date of Closing***" means the date on which all appropriate documents are recorded and proceeds of sale are available for disbursement to Seller in accordance with this Agreement. Funds held in reserve accounts pursuant to escrow instructions shall be deemed, for purposes of the definition of "Closing," "Closing date" and "date of Closing," as available for disbursement to Seller.

7.2 Prorations; Closing Costs. On the date of Closing, Escrow Agent shall pro-rate all surface water management fees, real property taxes, general assessments, and other fees (if any) accruing against the Property and such charges shall be charged to Seller's account to the extent they have accrued on or before the date of Closing. If Seller is entitled to reimbursement for any overpayment made under this paragraph, it shall be Seller's responsibility to seek such reimbursement outside of Closing. Monetary liens on the Property that have not been released, discharged or reconveyed prior to Closing shall be discharged in full out of the Purchase Price at Closing. Buyer will pay the premium for its title insurance policy (or policies), the Escrow Agent's fees and the cost of recording the Deed and the Partial Assignment of Lease.

7.3 Deliveries at Closing.

7.3.1 Seller's Deliveries at Closing. At Closing, Seller shall execute and deliver to Escrow Agent the following items, each of which shall be in form and substance reasonably satisfactory to Buyer: (i) an executed counterpart of the Partial Assignment of Lease and the Temporary Use Permit; (ii) the executed Deed; (iii) an executed real estate excise tax affidavit(s) together with payment for any excise tax, if any, arising from the transactions contemplated by this Agreement (which may be deducted from Seller's proceeds); and (iv) an affidavit evidencing that Seller is exempt from the withholding requirements of Section 1445 of the Internal Revenue Code.

7.3.2 Buyers' Deliveries at Closing. At Closing, Buyer shall execute and deliver to Escrow Agent the following items, each of which shall be in form and substance reasonably satisfactory to Seller: (i) an executed counterpart of the Partial Assignment of Lease and the Temporary Use Permit; (ii) an executed real estate excise tax affidavit(s); and (iii) readily available funds in the amount of the Purchase Price less the Deposit together with additional funds sufficient to pay such items as are to be charged to Buyer's account pursuant to this Agreement.

7.4. Risk of Loss. Seller will bear the risk of loss of or damage to the Property until the date of Closing. In the event of material loss of or damage to the Property prior to Closing, Buyer may terminate this agreement by giving notice of termination to Seller. If Buyer elects to terminate this Agreement, the Deposit together with interest, if any, shall be refunded to Buyer, and the parties shall have no further rights or obligations under this agreement. For purposes of this paragraph, the term "material loss or damage" shall mean damage, the cost of which to repair exceeds $50,000 as determined by a neutral third party professional engineer to be reasonable selected by Buyer and hired and paid for by Seller. In the case of any damage other than material damage occurring to the Property prior to Closing, the parties shall proceed to Closing and Seller, at its sole cost, shall undertake to diligently repair such damage and restore the Property to the condition in which it was in immediately prior to such damage. The date of Closing shall be extended as necessary to provide time for assessment of damage, termination and repair, as applicable.

7.5 Possession. Buyer shall be entitled to possession of the Property upon Closing, subject to the Enterprise Lease and the Temporary Use Permit.

8. Remedies. If Buyer has performed all of its obligations under this Agreement and Seller fails, without legal excuse, to convey to Buyer the Property and the Partial Assignment of Lease on the terms set forth herein, then Buyer shall be entitled to pursue such remedies as may be available at law or equity or to terminate this Agreement and receive return of the Deposit, together with the interest accrued thereon, if any. If Seller has performed all of its obligations under this Agreement, and Buyer fails, without legal excuse, to deliver the items set forth in Subsection 7.3.2 above or perform its obligations under Section 7.1, then the Deposit, together with all interest accrued thereon shall be forfeited to Seller as liquidated damages as Seller's sole and exclusive remedy.

9. Broker Representation. Seller represents and warrants to Buyer that Seller has not incurred finder's, broker's, or other commissions or fees payable to any person in connection with this Agreement. Seller shall indemnify and hold Buyer harmless from and against any liability for such commissions or fees incurred by Seller. Buyer represents and warrants to Seller that Buyer has not incurred finder's, broker's, or other commissions or fees payable to any person in connection with this Agreement. Buyer shall indemnify and hold Seller harmless from and against any liability for such commissions or fees incurred by Buyer.

10. General Provisions.

10.1 Notices. All notices required or permitted hereunder shall be in writing and shall either be delivered in person, sent by certified mail, return receipt requested, or delivered via facsimile transmittal, and shall be deemed received on the sooner of actual or facsimile receipt or three (3) days after deposit in the United States mail, postage prepaid, addressed to Seller or Buyer, as the case may be, at the address/facsimile number set forth below and with copies as specified:

Seller:
Cornish College of the Arts
1000 Lenora Street
Seattle, WA 98121
Facsimile: (206) 726-5053
Telephone: (206) 726-5020
Attn: Jeff Riddell, Chief Financial Officer

Buyer:
Seattle Department of Parks and Recreation
800 Maynard Avenue South, 3rd Flr.
Seattle, WA 98134
Facsimile: (206) 233-7038
Telephone: (206) 733-9106
Attn: Lise Ward

Notice of a change of address or facsimile number shall be given by written notice in the manner specified above.

10.2 Costs. Except as specifically provided in this Agreement, neither party shall be responsible for paying any costs incurred by the other party in connection with this Agreement or otherwise.

10.3 Amendment. This Agreement may be amended only by written instrument signed by Seller and Buyer, acting through duly authorized representatives if applicable.

10.4 Entire Understanding. This Agreement, and the exhibits attached hereto and the documents incorporated herein, embody the entire agreement between the parties with respect to the transaction contemplated hereby, superseding all prior expressions by the parties. The terms of this Agreement cannot be waived except by the written agreement of the party against whom a waiver is asserted.

10.5 Time of Essence. Time is of the essence of this Agreement and each term and condition hereof.

10.6 Governing Law; Venue. This Agreement shall in all respects be interpreted, construed and enforced in accordance with the laws and judicial decisions of the State of Washington. The venue for resolution of any dispute in connection with this Agreement shall be the Superior Court of King County, Washington.

10.7 Severability. If any portion of this Agreement shall be held to be invalid, the same shall not affect in any respect whatsoever the validity of the remainder of this Agreement, which shall be enforced in accordance with its terms.

10.8 Holidays and Weekends. In the event that the date for any notice, performance, term, or period specified or contemplated hereunder shall fall on a holiday or a weekend, the date and any associated performance or action shall automatically be extended to the next succeeding business day.

10.9 Captions. Section titles or other headings set forth in this Agreement are for the convenience of the parties only and shall not be a part of this Agreement, nor shall they be considered in its interpretation, construction, or enforcement.

10.10 Exhibits Incorporated. All exhibits attached hereto, as listed below, are expressly incorporated into and form a part of this Agreement.

Exhibit A.	Legal Description of Property
Exhibit B.	Enterprise Lease
Exhibit C.	Permitted Exceptions
Exhibit D.	Partial Assignment of Lease
Exhibit E.	Tenant Certificate
Exhibit F.	Temporary Use Permit

11. Seller's Indemnification. Seller hereby agrees to indemnify, defend, at the option of Buyer, and hold harmless Buyer and Buyer's members, managers, affiliates, directors, officers, and employees, for, from and against any and all claims, suits, actions, proceedings, or liabilities of any kind, including attorney's fees and expenses associated therewith, arising from or in any way connected to that certain Letter Agreement dated November 2, 2006 between Charles Anderson and Enterprise Rent-a-Car, concerning the South Land Union Street Car Local Improvement District No. 6750 assessment for the Property, a copy of which is included in the Enterprise Lease attached as Exhibit B. This indemnification shall survive Closing unimpaired and shall not merge into the Deed and the recordation thereof.

12. Survival. The covenants, agreements, indemnities, representations and warranties
made in this Agreement shall survive Closing unimpaired and shall not merge into the Deed and the recordation thereof.

IN WITNESS WHEREOF the parties have signed this Agreement as of the Effective Date.

BUYER:

The City of Seattle,
a Washington municipal corporation

By: _____
Timothy A. Gallagher, Superintendent of Parks and Recreation

SELLER:

Cornish College of the Arts,
a Washington non-profit corporation

By: _____
Sergei Tschernisch, President

By: _____
Jeff Riddell, Chief Financial Officer

Attachment 1

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

That portion of Lots 1, 2, and 3, Block 24, Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's 2nd Addition to the City of Seattle), according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington, lying easterly of and excepting therefrom that portion condemned in King County Superior Court Cause Number 36118 for Westlake Avenue, as provided by Ordinance Number 7733 of the City of Seattle.

Attachment 1

EXHIBIT B

ENTERPRISE LEASE
(pages 14-34 of this Agreement)

COMMERCIAL LEASE

THIS LEASE, made and entered into this 6th day of April, 1993, by and between HOWARD K. ANDERSON and DORCAS ANDERSON, husband and wife ("Lessor") and ENTERPRISE LEASING COMPANY, d/b/a ENTERPRISE RENT-A-CAR, a Washington corporation, ("Lessee").

WITNESSETH:

In consideration of the mutual promises, covenants and conditions hereinafter set forth, the parties hereby agree as follows:

ARTICLE I
LEASED PREMISES

Leased Real Property

1.1 Lessor hereby leases to Lessee, and Lessee hereby hires from the Lessor those certain commercial buildings and office space in Seattle, King County Washington, illustrated in Exhibit A attached hereto and located on property legally described in Exhibit B attached hereto, which exhibits are incorporated by reference (said property hereinafter referred to as the Leased Premises).

Signs

1.2 Lessee shall obtain all requisite governmental permits to affix any signs to the exterior of the Leased Premises. All signs of Lessee shall be subject to the prior written approval of Lessor, which approval shall not be unreasonably withheld.

ARTICLE II
TERM

Term/Options to Renew/Termination

2.1 Term.

The term of this Lease shall be for a period of five (5) years commencing on the 1st day of December, 1993, and ending at 11:59 p.m. on the 30th day of November, 1998.

2.2 Options to Renew.

Lessee shall have the option to extend this lease for two additional terms of five years each upon the same terms and conditions as contained in this lease except as to rent. To exercise any such options, Lessee shall give written notice of intention to do so to

the Lessor not less than six months before the termination date of the then current lease term or extended term. Lessee's right to renew this lease is conditioned upon Lessee having performed all conditions and covenants on its part to be performed at the end of the then current lease term or the extended term.

2.3 Termination of Lease by Lessor.

Lessor may terminate this lease pursuant to paragraph 17.12.

ARTICLE III
RENT

Rent for First Five-Year Term

3.1 Lessee will pay to Lessor a rental of Five Thousand Dollars ($5,000) per month commencing December 1, 1993 for the first year, thereafter rental will by Fifty-Five Hundred Dollars ($5,500) per month through November 30, 1998. If the rent is not paid by the fifth day of the month then there shall be a late charge of one hundred dollars ($100.00) per month. Rental shall be paid in advance on the first day of each month of this lease which monthly payments shall be in the sum of Five Thousand Dollars ($5,000) per month for the first year of the lease, and Fifty-Five Hundred Dollars ($5,500) thereafter.

Rent for Any Extended Lease Term

3.2 The rental for any extended term shall be the fair rental value of the leased premises at the beginning of any extended term giving effect to all relevant conditions then existing. After the giving of notice of intention to extend the lease, Lessor and Lessee shall enter into negotiations to determine the fair rental value for the extended term on the conditions set forth in this lease. If Lessor and Lessee cannot agree upon the rental by the date which is 90 days prior to the termination of the lease, the amount of such rent shall be determined by arbitration according to the laws of the State of Washington. The parties shall select an arbitrator who is a member of the American Institute of Real Estate Appraisers or a similar or successor organization and if the parties cannot so agree, then an arbitrator shall be appointed by the Presiding Judge of the King County Superior Court. The rental to be fixed shall be based upon the property as "free and clear to lease" but in no event shall be less than $5,500 per month. The expenses of any appraisal conducted in accordance with this lease shall be borne equally by the Lessor and Lessee.

ARTICLE IV
CONDUCT OF BUSINESS

Use of Premises

4.1 Lessor agrees that Lessee and those holding by, through and under Lessee may only use the Leased Premises for general car rental, leasing, sales, and for general administrative purposes connected with said business. Without limitations on the foregoing

the Lessee shall not use the premises nor any part thereof for any trade, manufacture, occupation or any use which shall be unlawful or a nuisance or contrary to any law, ordinance, rule or regulation of public authority.

Liens or Encumbrances

4.2 Lessee shall keep the leased premises free and clear of any liens and encumbrances arising out of any work performed, materials furnished or obligations incurred by Lessee.

Compliance with Laws

4.3 Lessee shall comply with all municipal, county, state and federal ordinances or laws imposing restrictions or regulations on the leased premises and the use thereof.

ARTICLE V
UTILITIES, TAXES AND INSURANCE

Utility Charges

5.1 Lessee covenants and agrees to promptly pay prior to delinquency all charges for heat, light, sewer, water, Metro charges and all other public utilities which shall be used and/or charged against the leased premises during the term of this Lease.

Licenses and Taxes

5.2 Lessee shall be responsible for, and shall pay throughout the lease term, all license and excise fees and all occupation and personal property ad valorem taxes for the business conducted on the Leased Premises and property owned or being leased by Lessee. If any governmental authority or unit under any present or future law effective at any time during the term of this Lease shall in any manner levy a tax on rent payable under this Lease or rent accruing from use of property or a tax in any form against the Lessor because of or measured by income derived from the leasing or rental of such property, such tax shall be paid by Lessee, either directly or through Lessor, and for Lessee's default therein, Lessor shall have the same remedies as for failure to pay rent; provided, however, that Lessee shall not be liable to pay any net income tax or business and occupation tax imposed on Lessor.

Real Estate Taxes and Assessments

5.3 Real property taxes and personal property taxes and all assessments on the Leased Premises or contents thereof shall be the obligation of Lessee. This includes any obligation to the City of Seattle for street or other use purposes and in particular for using any alleys or easements. Lessor shall provide Lessee with copies of tax and assessment statements. Lessee agrees to pay to Lessor any taxes and assessments billed for the Leased Premises at least thirty (30) days before the due date. Such tax and/or assessment payment shall be deemed additional rent. Any such taxes and assessments payable during the year in

which this Lease commences or ends shall be prorated for the portion of the year the Leased Premises are under lease by Lessee. With respect to assessments which may be levied against or upon the Leased Premises, during the lease term, Lessee shall be required to pay each year only the amount of such annual installments as shall be payable during any year of the lease term (with appropriate proration for any partial year), and Lessee shall have no obligation to continue such payments after the termination of this Lease.

Property Insurance

5.5 Lessee at its expense and without cost to Lessor shall maintain during the term of this lease fire and extended insurance coverage with respect to all buildings, structures, and improvements including additions or enlargements, upon the Leased Premises or other property acquired insuring against loss or damage by fire or as otherwise provided in the insurance policies in an amount sufficient to prevent Lessor or Lessee from being a co-insurer of any partial loss under the applicable policies, which may be written on a replacement costs basis or blanket coverage subject to the ninety percent (90%) average clause and business interruption insurance guaranteeing the payment of rental for up to six months after an insured loss. Lessee shall provide copies of all insurance certificates required by this lease agreement to Lessor and shall provide proof of payment of premiums on an annual basis. All insurance maintained by Lessee pursuant to this paragraph 5.5 above shall name Lessor, Lessee, and any mortgagee, Deed of Trust Beneficiary, or contract vendor of the fee interest in the Leased Premises as insured's as their respective interests may appear, and shall include if reasonably attainable an effective waiver by the insurer of such insurance of all rights of subrogation against any named insured or such insured's interest in the Leased Premises. Provided that no cancellation, reduction in amount, or material change in coverage thereof shall be effective until at least fifteen (15) days after Lessors receipt of written notice thereof and said insurance shall be subject to approval by Lessor which approval will not be unreasonably withheld.

ARTICLE VI
CONDITION OF PREMISES AND ALTERATIONS

Alterations by Lessee

6.1 Lessee has examined the Leased Premises and any fixtures and equipment therein and accepts possession of the same in their present condition. Lessee shall not make any material alterations, additions or improvements in or to the Leased Premises, without the prior written consent of Lessor, which consent shall not be unreasonably withheld. Any alterations, additions, or improvements made by Lessee in the Leased Premises shall be at Lessee's sole expense. Lessee shall secure any and all governmental permits required in connection with any such work, and shall hold Lessor harmless from any and all liability and any and all liens resulting therefrom. With the exception of any moveable partitions which may be installed with Lessor's consent, all such alterations, additions and improvements shall become the property of the Lessor and shall remain in and be surrendered with the premises as a part thereof at the termination of this Lease, without disturbance or injury.

ARTICLE VII
CONDITION AND MAINTENANCE OF PREMISES

Condition of Premises

7.1 Lessee shall keep the Leased Premises neat, clean, and in a sanitary condition, to the satisfaction of the Board of Health and fire department of the jurisdiction in which the premises are located and its inspectors; and shall comply with each and all the statutes of the State of Washington and ordinances of the jurisdiction in which the premises are located now in force or hereafter enacted pertaining to the use and occupancy of Leased Premises by the Lessee and to keep the sidewalks and parking areas surrounding the same free and clear of ice and snow and all obstructions, according to the ordinances of said jurisdiction.

Maintenance and Repair

7.2 Lessee will be responsible for maintaining the roof, exterior walls and foundation of the buildings on the Leased Premises. The leased premises have been inspected by Lessee, including any fixtures and equipment and said premises are accepted by Lessee in their present condition. Lessee, at its sole cost and expense, shall keep the Leased Premises (including exterior doors and entrances, all windows, and moldings and trim of all doors and windows) and any partitions, door surfaces, fixtures, equipment, and appurtenances thereof (including lighting, heating and plumbing fixtures, and any air conditioning system) in good order, condition and repair, damage by unavoidable casualty excepted (but not excluding damage from burglary or attempted burglary of the Leased Premises). Without limiting the generalities thereof, Lessee shall keep the glass of all windows, doors and showcases clean and presentable; immediately replace all broken glass in the Leased Premises; make any necessary repairs to, or replacements of, all door closure apparatus and mechanisms; keep all plumbing clean and in a good state of repair; and keep all utilities within the Leased Premises in a good state of repair. Lessee shall carry and pay for a maintenance contract on any air conditioning equipment with a reputable firm providing such service.

Failure to Maintain

7.3 If Lessee fails to keep and preserve the Leased Premises, fixtures and equipment as set forth above, Lessor may, at its option, put or cause the same to be put into the condition and state of repair agreed upon, and in such case, Lessee shall pay the cost thereof, upon receipt of written statements from Lessor. Lessor shall have the right to enter the Leased Premises for the purpose of making such repairs upon Lessee's failure to do so.

No Repairs or Maintenance Required by Lessor Except as Specified

7.4 Lessor shall have no obligation to repair or maintain the Leased Premises or the buildings located thereon or the fixtures and equipment therein, whether structural or non-structural. Lessee waives the benefit of any statute now or hereinafter in effect which would otherwise afford Lessee the right to make repairs at Lessor's expense or to terminate

this Lease because of Lessor's failure to keep the Leased Premises in good order, condition and repair. Lessee has either inspected or has been afforded the opportunity to inspect all of the improvements, fixtures and equipment on the Leased Premises through an engineer of Lessee's choice, and accepts the Leased Premises and fixtures and equipment in their present condition "as is".

Surrender of Leased Premises

7.5 At the expiration or sooner termination of this Lease, Lessee shall return the Leased Premises, fixtures and equipment to Lessor in substantially the same condition in which received (or if altered by Lessor or by Lessee with Lessor's consent, then the Leased Premises, fixtures and equipment shall be returned in such altered condition), reasonable wear and tear and damage by fire or other casualty excepted. Lessee's obligation to perform this covenant shall survive the expiration or termination of this Lease.

ARTICLE VIII
INSURANCE AND INDEMNITY

Indemnification

8.1 Lessor shall not be liable for any injury to any person, or for any loss of or damage to any property (including property of Lessee) occurring in or about the Leased Premises from any cause whatsoever, unless caused by Lessor's sole negligence or willful misconduct. Lessee hereby indemnifies and holds Lessor harmless, and agrees to defend Lessor against all claims, charges, liabilities, obligations, penalties, damages, costs and expenses (including attorneys' fees) arising, claimed, charged or incurred against or by Lessor from any actual or alleged injury to any person or from any actual or alleged loss of or damage to any property caused by or resulting from any act or omission of Lessee or any officer, agent, employee, guest, invitee, or visitor of Lessee in or about the Leased Premises, except as occasioned by the sole negligence or willful misconduct of Lessor or Lessor's agent or employees. Without limiting the foregoing, Lessor and Lessor's agent shall not be liable for theft, or any damage, either to person or property, sustained by Lessee or others, caused by any defects now in the Leased Premises or hereafter occurring, becoming out of repair or caused by fire, or by the bursting or leaking of water, gas, sewer or steam pipes, or from any act or neglect of any persons or due to the happening of any accident from whatsoever cause in or about the Leased Premises.

Liability Insurance

8.2 Lessee shall, during the entire term of this Lease, keep in full force and effect a policy or policies of comprehensive general liability and property damage insurance with respect to the leased property, and the business operated thereon by the Lessee and any subleases or Lessee on the Leased Premises with combined single limit coverage for bodily injury and property damage, in an amount not less than One Million and Five Hundred and No/100 Dollars ($1,500,000.00). Lessor shall be named as one of the insured's and shall be furnished with a certificate of such insurance, which shall bear an endorsement that the same

shall not be canceled except upon not less than twenty (20) days prior written notice to Lessor. The insurance shall be with an insurance company or companies and in a form approved by Lessor which consent will not be unreasonably withheld. A copy of each policy or certificate of insurance shall be delivered to Lessor prior to commencement of the term.

Waiver of Subrogation

8.3 Lessor and Lessee hereby mutually release each other from liability and waive all rights of recovery against each other for any loss in or about the Leased Premises, from perils insured under their respective fire insurance contracts, including any extended coverage endorsements thereof, whether due to negligence or any other cause; provided, that this section shall be inapplicable if it would have the effect, but only to the extent that it would have the effect of invalidating any insurance coverage of Lessor or Lessee. If at any time this waiver of subrogation provision is unacceptable to the insurer of either party, that party shall immediately notify the other party of such information.

ARTICLE IX
ASSIGNMENT AND SUBLETTING

Assignment and Subletting

9.1 Lessee shall not assign or transfer this Lease or any interest therein or sublet the whole or any part of the Leased Premises, nor shall this Lease or any interest therein be assignable or transferable by operation of law or by any process or proceeding of any court, or otherwise, without the prior written consent of Lessor which consent shall not be unreasonably withheld.

ARTICLE X
DESTRUCTION OF LEASED PREMISES

Notice

10.1 In case the improvements on the leased premises are destroyed or damaged by fire, earthquake, or other casualty during the term of this Lease, Lessee shall give Lessor immediate written notice thereof.

Substantial or Partial Destruction

10.2 No Abatement of Rent or Termination by Reason of Damage or Destruction. In the event there is any destruction or damage to the property or the buildings and improvements from any cause whatsoever, the rent shall not be abated.

10.3 Loss or Damages. If at any time during the term of this lease, or any extension thereof, the building or any improvements on the property are damaged or destroyed from any cause whatsoever, Lessee shall promptly restore the building and/or any improvements thereon to their condition prior to their destruction or damage. Fire insurance

proceeds shall be paid to Lessor and Lessor shall pay to Lessee the proceeds thereof from time to time as the rebuilding work progresses for the costs of each rebuilding, repair or restoration. Disbursement shall be made upon written request of Lessee, accompanied by evidence satisfactory to Lessor that the amount requested has been paid or is then due and payable and is properly a part of such costs. In the event the insurance proceeds are not sufficient to completely rebuild the building(s) or improvements, Lessee shall make up any difference.

Provided, however, so long as any leading institution, its successors or assigns or any other party has an interest in the Leased Premises as the beneficiary of a deed of trust, vendor of a real estate contract or otherwise, any policy or policies provided for fire or other casualty insurance which Lessor or Lessee may be obligated to maintain may be deposited with and made payable to said lending institution as beneficiary of a deed of trust or vendor as their interests may appear under a standard mortgagee's clause provided that if there is no default in the payment of said lending institution's note or under the terms of its deed of trust, or payments to any vendor, any loss proceeds paid by the insurer to said lending institution shall thereupon be made available promptly for the repair of restoration of the Leased Premises upon presentation of material and labor bills for work completed, but only in the event the Lessee has confirmed to said lending institution the lease will continue in full force and effect upon completion of such repairs or restoration, which work shall be diligently pursued.

ARTICLE XI
EMINENT DOMAIN

Total Taking

11.1 If all of the Leased Premises are taken by eminent domain, this Lease shall terminate as of the date Lessee is required to vacate the Leased Premises, and all rent shall be paid to that date.

Partial Taking

11.2 If a taking of any part of the Leased Premises by eminent domain renders the Leased Premises unsuitable for the business of Lessee, then this Lease may, at the option of either party, be terminated as of the date when Lessee is required to vacate the portion of the Leased Premises so taken by written notice given to the other party not more than thirty (30) days after Lessor received notice of the taking, and if terminated, all rent shall be paid to the date of termination. Whenever any portion of the Leased Premises shall be taken by eminent domain, and this Lease is not terminated, Lessor shall, at its expense, proceed with all reasonable dispatch to do such work as may be required to restore the structure of the Leased Premises, or what remains thereof, as nearly as may be to the condition they were in immediately prior to such taking, and Lessee shall, at its expense, proceed with all reasonable dispatch to do such work to the fixtures, furniture, furnishings, floor covering and equipment as may be required to restore them as nearly as may be to the same condition they were in immediately prior to such taking. From the date Lessee is required to vacate that portion of

the Leased Premises taken, the minimum rent payable hereunder shall be reduced in the same proportion that the area taken bears to the overall area of the Leased Premises. The Lessor shall be entitled to receive the entire award in the condemnation proceedings. Lessee hereby specifically assigns to Lessor any and all right, title and interest which Lessee now has or may hereafter have in or to any such award or any part thereof, and Lessee shall be entitled to receive no part of such award.

ARTICLE XII
LESSEE'S DEFAULT

Default

12.1 Time is of the essence hereof. The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Lessee.

(a) Failure to Pay Rent. Lessee's failure to make any payment of minimum rent, additional rent, or any other sum to be paid by Lessee hereunder, as and when due, where such failure continues for a period of five (5) business days after written notice thereof by Lessor to Lessee.

(b) Failure to Perform. Lessee's failure to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Lessee (other than described in 12.1(b) above) where such failure continues for a period of ten (10) business days after written notice thereof by Lessor to Lessee.

Remedies

12.2 Following a default or breach by Lessee, without limiting Lessor in the exercise of a right or remedy Lessor may have under this Lease, at law or in equity, Lessor may, at its option, upon written notice to Lessee, declare Lessee's rights under this Lease terminated and re-enter the leased premises using such force as may be necessary and repossess itself thereof as of its former estate and remove all persons and property from the leased premises, and such property may be removed and stored in a public warehouse or elsewhere at the cost of, and for the account of Lessee, all without service of notice or resort to legal process, and without being deemed guilty of any trespass or becoming liable for any loss or damage caused thereby. Lessor may sell such personal property excluding automobiles in a commercially reasonable sale after such personal property has been stored for a period of thirty (30) days or more. Notwithstanding any such re-entry, the liability of Lessee for the rent provided for herein shall not be extinguished for the balance of the term of this Lease, and Lessee shall make good to Lessor any deficiency arising from receipt by Lessor of a lesser rent than provided for herein and from any commission cost of reletting.

Legal Expenses

12.3 If either party is required to bring any action or otherwise refer this Lease to an attorney for the enforcement of any of the covenants, terms and conditions of this Lease,

PAP

the prevailing or non-defaulting party shall, in addition to all other remedies provided herein, receive from the other party all the costs, including a reasonable attorneys' fee, incurred in the enforcement of the covenants, terms and conditions of this Lease (whether or not an action is instituted) and including any such costs and fees incurred by the prevailing party on any appeal.

Waiver

12.4 Neither the acceptance of rent, nor any other act or omission of Lessor at any time or times after the happening of any event authorizing the cancellation or forfeiture of this Lease shall operate as a waiver of any past or future violation, breach, or failure to keep or perform any covenant, agreement, term, or condition hereof or to deprive Lessor of its rights to cancel or forfeit this Lease, upon the written notice provided for herein, at any time that cause for cancellation or forfeiture may exist or be construed so as to at any future time estop Lessor from properly exercising any other option, right, or remedy that it may have under any term or provision of this Lease, at law or in equity.

ARTICLE XIII
ACCESS BY LESSOR AND OTHERS

Right of Entry

13.1 Lessor or Lessor's agents during business hours on forty-eight (48) hours notice shall have the right to enter the Leased Premises at reasonable business hours to examine the same, including fixtures and equipment, and to show them to prospective purchasers or lessees of the building, and to make such repairs, alterations, improvements, or additions as Lessor may deem desirable. If Lessee is not personally present to permit entry and an entry is necessary or permissible, Lessor may enter the same by a master key or may forcibly enter the same, without rendering Lessor liable therefor. Nothing contained herein shall be construed to impose upon Lessor any duty of repair of the building except as otherwise specifically provided for herein. This paragraph does not restrict Lessors right under paragraph 1.2.

Inspections

13.2 Lessee shall permit access to the Leased Premises for all such inspections as may be required by law, and Lessee shall, during the term of this Lease, pay all fees due the city, county, state or federal government on account of any inspection made on said leased premises by any officer or agent of said city, county, state or federal government, which inspections are in relation to the use and occupancy of said premises by the Lessee or the conduct of the business of the Lessee therein.

ARTICLE XIV
SURRENDER OF PREMISES

Surrender of Possession

14.1 Lessee covenants and agrees to promptly yield and deliver to Lessor possession of the Leased Premises, including the fixtures and equipment described above, without notice at the expiration date or at any prior termination date. The Leased Premises, including the above-described fixtures and equipment, shall be in the same condition as when first obtained by Lessee, reasonable wear and tear and damage by insurable risks excepted. Lessee further agrees to remove all of its personal property from said premises, to clean the premises and to deliver to Lessor all keys to the Leased Premises at the expiration of the term or sooner termination date.

Holding Over

14.2 Any holding over by Lessee after the expiration of the term hereof, with Lessor's consent, shall be construed to be a tenancy from month to month at the rent provided for during the final month of the initial term of this Lease, and on all of the terms and conditions set forth, so far as is consistent with such month to month tenancy.

ARTICLE XV
QUIET ENJOYMENT

Lessor's Covenant

15.1 Lessee, upon fully complying with and promptly performing all of the terms, covenants, and conditions of this Lease on its part to be performed, shall have and quietly enjoy the Leased Premises for the term set forth herein.

ARTICLE XVI
MISCELLANEOUS

Notices

17.1 Except as may otherwise be provided herein, any notices required in accordance with any of the provisions herein shall be sent by registered or certified mail addressed to Lessor at 1830 Broadmoor Drive, Seattle, WA 98112, or at such other place as Lessor may in writing direct; and addressed to Lessee at 11961 - 124th Avenue N.E., Kirkland, WA 98034; or at such other place as Lessee may in writing direct.

Successors and Assigns

17.2 All the terms, conditions, covenants and agreements of this Lease shall extend to and be binding upon Lessor, Lessee, and their respective heirs, administrators, executors, successors and assigns, and upon any person or persons coming into ownership or possession

of any interest in the Leased Premises by operation of law or otherwise, and shall be construed as covenants running with the land.

Insolvency

17.3 If Lessee becomes insolvent, voluntarily or involuntarily bankrupt, or if a receiver, assignee or other liquidating officer is appointed for the business of Lessee, then Lessor shall have the right to cancel this Lease.

Entire Agreement

17.4 This Lease and any exhibits or attachments hereto and forming a part hereof set forth the entire agreement of Lessor and Lessee concerning the Leased Premises, and there are no other agreements or understandings, oral or written, between Lessor and Lessee. Any subsequent modification of this Lease shall be binding upon Lessor and Lessee only if reduced to writing and signed by them.

Broker's Commission

17.5 Each of the parties represents and warrants that there are no claims for brokerage commissions or finders fees in connection with the execution of this Lease and each of the parties agrees to indemnify the other against, and hold it harmless from, all liabilities arising from any such claim (including, without limitation, the cost of attorney's fees in connection therewith).

Partial Invalidity

17.6 If any term, covenant or condition of this Lease or the application thereof to any person or circumstances is, to any extent, invalid or unenforceable, the remainder of this Lease, and the application of the term, covenant, or condition to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

Signs

17.7 At the termination of this Lease, all such signs, symbols and advertising matter attached to or painted by Lessee upon the premises with the consent of Lessor, whether on the exterior or interior thereof, shall be removed by Lessee at its own expense. Lessee shall repair any damage or injury to the premises and correct any unsightly condition caused by the maintenance or removal of any such sign.

Subordination/Nondisturbance

17.8 Lessee agrees that this Lease shall be subordinate to any mortgage or trust deed that may be existing or hereafter placed on the real property of which Leased Premise

are a part, and to any and all renewals, replacements and extensions thereof. Any security agreement shall either be subject to the terms and conditions of this Lease and the rights hereunder granted to Lessee, or such security instrument shall be prior to this Lease, provided the Mortgagee gives to Lessee a nondisturbance and attornment agreement. The nondisturbance and attornment agreement shall (i) recognize the lease of Lessee; and (ii) provide in the event of foreclosure or other realization proceedings under the security instrument, the Mortgagee or any successor to Lessor through such realization proceeding, will, as of the date of the Mortgagee or such successor acquires the Lessor's interest in the Leased Premises or otherwise gains control of the Lessor's interest be obligated to Lessee to keep and perform all of the obligations of the Lessor under this Lease, or as amended, provided Lessee is not in default in any condition of the Lease.

Covenants Running With the Land

17.9 All the covenants, agreements, conditions and undertakings in this Lease shall extend and inure to and be binding upon the heirs, executors, administrators, distributees, lessees, successors, and assigns of each of the parties hereto, the same as if they were in every case named and expressed, and same shall be construed as covenants running with the land. Wherever in this Lease reference is made to any of the parties hereto, it shall be held to also include and apply to, whenever applicable, the heirs, executors, administrators, distributees, lessees, successors and assigns of each such party, the same as if in each and every case so expressed.

Absence of Partnership

17.10 Nothing contained in this Lease shall create a partnership or joint venture as between Lessor and Lessee or render Lessor or Lessee in any way responsible for the debts of the other, it being the express intention that the relationship of the parties hereto shall at all times be that of Lessor and Lessee.

Hazardous Substances

17.11 Lessor will hold Lessee harmless from and indemnify and defend Lessee against and from any damage, loss, expense or liability, including any attorneys' fees and costs incurred as a result thereof, resulting from any prior use of the Leased Premises involving "hazardous substances" prior to Lessee's occupation of the Leased Premises. "Hazardous substances" shall be interpreted broadly to mean any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous or toxic or radio active substance, or other similar term by any federal, state or local environmental law, regulation or rule presently in affect or promulgated in the future, as such laws, regulations or rules may be amended from time to time, and it shall be interpreted to include any other substance which after release into the environment and upon exposure, ingestion, inhalation or assimilation, either directly from the environment or directly by ingestion through food or otherwise, will, may or reasonably be anticipated to cause sickness, death, disease, behavior abnormalities, cancer or genetic abnormalities. Likewise, Lessee will hold Lessor harmless from and indemnify and defend Lessor against and from any damage, loss, expense or liability,

including any attorneys' fees and costs incurred as a result thereof, resulting from any use of the Leased Premises involving "hazardous substances" during Lessees occupation of the Leased Premises.

Termination of Lease by Lessor

17.12 Lessor may terminate this lease in the event:

(a) Lessor has a bona fide sale of the leased premises to a person or entity who intends to erect upon the leased premises and adjacent property a major improvement after the demolition of any building(s) on the leased premises. Said major improvement to be a multi-story structure and may include a hotel, a store, a warehouse, or office building.

(b) Lessor undertakes a major improvement on the leased premises in conjunction with adjacent property owners wherein the building(s) on the leased premises are destroyed. A major improvement is as described immediately above. Lessor may qualify as undertaking a major improvement if Lessor is an investor, lessor, limited partner, shareholder, or participates in any other business way wherein the leased premises owned by Lessor are part of the major improvement.

Upon giving the notice of intention to terminate the lease, the term thereof shall cease, be terminated and end at the expiration of one year from the day when such notice has been mailed. After said date the Lessor may take possession of the leased premises, and every part thereof, and have and enjoy the said premises as his former estate, free, clear and discharged of this lease, and of all rights of the Lessee or any assignee hereunder.

Lessor will reimburse Lessee on the termination date of the lease and after Lessee has vacated the leased premises for the amount of any unamortized improvements on the leased premises for improvements made prior to the notice of termination. The dollar amount of unamortized leasehold improvements shall be measured by Lessee's federal income tax return and shall be prorated for any year.

IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year first above set forth.

LESSOR:

Howard K. Anderson

Doreas Anderson

LESSEE:

ENTERPRISE LEASING COMPANY, d/b/a
ENTERPRISE RENT-A-CAR,
a Washington corporation

By _____
Richard C. Goodman, Vice President
and General Manager

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this 6 day of April, 1993, personally appeared before me Howard K. and Doreas Anderson, to me known to be the Lessors, and acknowledged that they acknowledged said instrument as their free and voluntary act and deed, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.

_____
NOTARY PUBLIC in and for the State of
Washington, residing at _____
My commission expires _____

JUNE MEEHAN
COMMISSION EXPIRES
NOTARY
PUBLIC
AUGUST 29, 1996
STATE OF WASHINGTON

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this 6 day of April, 1993, personally appeared before me Richard C. Goodman, to me known to be the Vice President and General Manager of Enterprise Leasing Company, d/b/a Enterprise Rent-A-Car, the 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 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.

_____
NOTARY PUBLIC in and for the State of
Washington, residing at _____
My commission expires _____

JUNE MEEHAN
COMMISSION EXPIRES
NOTARY
PUBLIC
AUGUST 29, 1996
STATE OF WASHINGTON

Enterprise rent-a-car

2000 Benson Rd. So., Ste. 250
Renton, WA 98055-4422
425-228-7650

LEASE EXTENSION
BETWEEN
HOWARD & DORCAS ANDERSON
AND
ENTERPRISE RENT-A-CAR

This extension refers to the property at 2116 Westlake Avenue, Seattle, Washington, 98121. Enterprise Rent-A-Car will exercise its lease option beginning ~~January 1, 1999~~ Dec 1 1998 for a term of five (5) years with one (1) five (5) year option to renew.

Rent: Rent will be paid in the same manner as it now stands, the only difference being that Enterprise will pay to Lessor $1,000.00 more per month than the current rent payment.

LESSOR:

Howard Anderson

5-6-98
Date

Dorcas Anderson

5-6-98
Date

LESSEE:

Scott Yaguchi
Vice President / General Manager
Enterprise Rent-A-Car

5/4/98
Date

Attachment 1

12/02/03

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Howard Anderson
1830 Broadmoor Drive
Seattle, WA 98112

Re: **NOTICE OF EXERCISE OF LEASE RENEWAL OPTION**
Enterprise Rent-A-Car
2116 Westlake Ave

Dear Howard Anderson:

The undersigned is a tenant at the above location under that certain Lease dated April 6th, 1993. Pursuant to the terms of the Lease, we hereby exercise our second five (5) year option to renew such that the term of our Lease shall now expire on November 30th, 2008. In addition Lessee, shall be granted one (1) additional five (5) year option.

Rent for the above exercised option shall be as follows:

12/1/2003-11/30/2004	$8,000.00
12/1/2004-11/30/2005	$8,000.00
12/1/2005-11/30/2006	$8,500.00
12/1/2006-11/30/2007	$8,500.00
12/1/2007-11/30/2008	$8,500.00

Rent for the remaining options shall be bound by Article 3.2 of the Lease.

Thank you for the courtesies extended to us during our tenancy and we look forward to a continued successful business relationship.

Very truly yours,

Enterprise Leasing Company A Washington State Corporation, d/b/a Enterprise Rent-A-Car

By: Richard G Thrasher
Name: Richard G Thrasher
Title: Vice President General Manager

Receipt acknowledged this ____ day of _____, 20 __

Howard Anderson

By: _____

Name: HOWARD ANDERSON

Title: PRES.

Attachment 1

LEASE AMENDMENT

This Lease Amendment is entered into the 2nd day of August, 2005 by and between Howard Anderson ("Lessor") and Enterprise Leasing Company, A Washington Corporation ("Lessee").

RECITALS

WHEREAS, Lessor and Lessee entered into a Lease dated April 6th, 1993 for the "Premises" described in the Lease Agreement located at 2116 Westlake Ave, Washington, 98112; and

WHEREAS, Lessor and Lessee wish to agree to modify and amend the Lease.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Lessor and Lessee, and in consideration of the covenants and agreements provided in said Lease, Lessor and Lessee agree as follows:

1. Renewal Option. Lessee shall be granted one (1) additional five (5) year option. This additional option will now grant the Lessee a total of two (2), five (5) year options available for the Lessee to exercise. Such extended terms shall be upon the same terms and conditions as during the term hereof. If Lessee fails to exercise its options within the time period as specified in the Lease, Lessor shall so notify Lessee and Lessee shall have seven (7) business days thereafter within which to exercise the option.

2. Rent. The minimum rent for the premises payable in advance for each month for the renewal options mentioned above, shall be set forth in the Rent schedule below:

Minimum Rent Schedule:

12/1/2008-11/30/2013	$9,350.00
12/1/2013-11/30/2018	$10,285.00

3. Except as expressly modified hereby, all other terms and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed this fourth Addendum as of the day and year first set forth above.

LESSOR

Howard Anderson
Owner

LESSEE
Enterprise Leasing Company, a Washington Corporation

By: _____
Craig Anderson
Regional Vice President

Attachment 1

9840 Willows Rd NE, Suite 202,
Redmond, WA 98052
425 558 3200
425 558 3250 Fax
www.enterprise.com

November 2nd, 2006

Howard Anderson
1830 Broadmoor Dr.
Seattle, WA 98112

RE: Lease dated April 6th, 1993 between Howard Anderson, as Lessor, and Enterprise Leasing Company, a Washinton corporation as Lessee, for the Premises located at 2116 Westlake Ave, Seattle, WA .

Dear Howard:

In accordance with the provisions of the above referenced Lease, this is to confirm the following:

1. Lessor is in receipt of $109,887.05 from Lessee for payment of the South Lake Union Streetcar LID No. 6750 Final Assessement for King County Parcels 0660000485 and 0660000540 which Lessee is responsible for pursuant to section 5.3 of the Lease.

2. If the Lease shall terminate prior to 11/30/18 then Lessor shall refund to Lessee the above amount less the prorated portion for which Lessee has occupied the Premises. Such prorated portion shall be calculated in the following manner:
$109,887.05 multiplied by, the number of months occupied by Lessor from 10/31/06 to the termination date, divided by the total number of months from 10/1/06 to 11/30/18, or 145 months.

If the above accurately reflects your understanding, please sign both enclosed copies below and return one (1) original to my attention.

Sincerely,
Enterprise Leasing Company,
a Washington Corporation
d/b/a Enterprise Rent-A-Car

Vice President

AGREED AND CONSENTED TO:

By: _____

Date: 11/22/06

Enterprise

March 20th, 2008

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Cornish College of the Arts
600 Lenora
Seattle, WA 98121
Attn: Vicki Clayton

Re: NOTICE OF EXERCISE OF LEASE RENEWAL OPTION
Enterprise Rent-A-Car
2116 Westlake Ave, Seattle, WA 98121

Dear Vicki Clayton:

The undersigned is a tenant at the above location under that certain Lease dated April 6th, 1993. Pursuant to the terms of the Lease, we hereby exercise our third, five (5) year option to renew such that the term of our Lease shall now expire on November 30th, 2015.

While not a condition to the effectiveness of this Notice, we request that you acknowledge receipt of this letter by signing and returning to the undersigned the enclosed counterpart of this letter.

Thank you for the courtesies extended to us during our tenancy and we look forward to a continued successful business relationship.

Very truly yours,

Enterprise Leasing Company, a Washington State Corporation, d/b/a Enterprise Rent-A-Car

By: Richard G. Thrasher
Name: Richard G. Thrasher
Title: Vice President/General Manager

Receipt acknowledged this, ___ day of ___, ___, 20___

By: ___

Name: ___

Title: ___

Attachment 1

EXHIBIT C

PERMITTED EXCEPTIONS

1. EASEMENT AND THE TERMS AND CONDITIONS REFERENCED THEREIN, INCLUDING, BUT NOT LIMITED TO, THE FOLLOWING:

   GRANTEE: City of Seattle
   PURPOSE: Sewer main
   RECORDED: April 20, 1894
   RECORDING NUMBER: 127288
   AREA AFFECTED: Along the westerly line of Lot 1 adjoining Westlake Avenue

2. EASEMENT AND THE TERMS AND CONDITIONS REFERENCED THEREIN, INCLUDING, BUT NOT LIMITED TO, THE FOLLOWING:

   GRANTEE: City of Seattle
   PURPOSE: Sewer main
   RECORDED: May 16, 1894
   RECORDING NUMBER: 128258
   AREA AFFECTED: Along the westerly line of Lots 2 and 3 adjoining Westlake Avenue

3. The Enterprise Lease (See Exhibit B)

Attachment 1

EXHIBIT D

PARTIAL ASSIGNMENT OF LEASE
(pages 37-71 of this Agreement)

Attachment 1

Return Address:
The City of Seattle
Department of Parks and Recreation
800 Maynard Avenue South, 3rd Floor
Seattle, WA 98134
Attn: Lise Ward

PARTIAL ASSIGNMENT OF LANDLORD'S INTEREST IN LEASE

Reference numbers of related documents:
NOT APPLICABLE

Grantor:
CORNISH COLLEGE OF THE ARTS

Grantee:
THE CITY OF SEATTLE

Legal Description:

1. Abbreviated form: PTN Lots 1, 2, 3 BLK 24, Sarah's Bell's 2nd Add.

2. Additional legal description is on Schedule B.

Assessor's Property Tax Parcel Account Number(s): 066000-0485 and 066000-0540.

Attachment 1

THIS PARTIAL ASSIGNMENT OF LANDLORD'S INTEREST IN LEASE ("***Agreement***") is made the _____ day of _____, 2008, by and between CORNISH COLLEGE OF THE ARTS, a Washington nonprofit corporation ("***Cornish***"), having an address at 1000 Lenora Street, Seattle, Washington, THE CITY OF SEATTLE, a Washington municipal corporation ("***City***"), having an office at c/o Department of Parks and Recreation, 800 Maynard Avenue South, Seattle, WA 98134.

RECITALS

A. Cornish is the successor lessor under that certain lease dated April 6, 1993 as amended by letter dated May 6, 1998, letter dated December 2, 2003, lease amendment dated August 2, 2005, (collectively "***Lease***") between Howard K. Anderson and Dorcas Anderson ("Landlord") and Enterprise Leasing Company dba Enterprise Rent-A-Car ("***Tenant***"), as amended by letter dated November 2, 2006 between Charles Anderson, as Landlord, and Tenant, and amended by letter dated March 20, 2008 by Cornish College of the Arts, as Landlord, and Tenant. A copy of the Lease is attached hereto as Schedule A and incorporated herein.

B. The premises leased under the Lease are legally described on Schedule B attached hereto and incorporated herein ("***Premises***").

C. The City has acquired a portion of the Premises by deed from Cornish dated _____ and recorded under King County recording number _____ ("***City Property***"). The City Property is legally described on Schedule B. The portion of the Premises retained by Cornish ("***Cornish Property***") is also legally described on Schedule B.

D. The City and Cornish have agreed on allocation of rights and obligations in connection with the Lease.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt of which is hereby acknowledged, the City and Cornish hereby covenant and agree as follows:

AGREEMENT

1. Assignment; Rights and Obligations.

a) Assignment. Cornish does hereby assign, transfer, set over, convey and deliver to the City, its successors and assigns, the rights and interests of lessor under the Lease as they pertain to the City Property.

b) Obligations. In consideration of the Management Fee (defined in subsection (c) below), Cornish hereby agrees to perform (i) all obligations of lessor as set forth in the Lease, including obligations of lessor with respect to the City Property, and (ii) each

obligation of Cornish as provided in this Agreement. If Cornish fails to perform the lessor obligations as set forth in the Lease or the obligations of Cornish as provided in this Agreement, the City shall have the right to perform such obligations with respect to the City Property, to withhold the Management Fee from Cornish and to recover from Cornish the City's out of pocket costs and expenses (including attorneys' fees) not reimbursable by Tenant or not actually reimbursed by Tenant. The City shall have no obligation to perform obligations of Cornish with respect to the Cornish Property.

c) Rental. Cornish shall collect rent from Tenant. The City shall be entitled to receive **55%** of the Net Rental Income as follows: For purposes of this subsection, "***Net Rental Income***" shall mean all rents collected from Tenant under the Lease less: (i) a management fee payable to Cornish equal to 3% of all rents collected from Tenant under the Lease ("***Management Fee***"); and (ii) any reasonable out-of-pocket collection costs (including attorneys' fees) incurred by Cornish in connection with its performance of lessor obligations under the Lease (unless and until the same are reimbursed by Tenant). Cornish shall distribute the City's share of the Net Rental Income, together with an accounting thereof, monthly beginning the month following the City's acquisition of the City Property. In the event Cornish's calculation of the Net Rental Income results in a negative number (a "***Deficiency***"), there shall be no distribution of Net Rental Income until such Deficiency is offset by future positive Net Rental Income and the City shall have no liability to Cornish for such Deficiency.

d) Leasehold Excise Tax. Cornish shall bill and collect from Tenant, and deliver to the City on a monthly basis, the leasehold excise tax attributable to rental of the City Property and the same shall not be "rents collected from Tenant" for purposes of this Agreement. "Rent attributable to rental of the City Property" shall be determined by multiplying all rents collected from Tenant by a fraction having a numerator equal to the square footage of the City Property and a denominator equal to the square footage of the Premises.

e) Insurance. Cornish shall consult with the City's Risk Manager concerning the acceptability of the Tenant's insurance company and form of evidence of insurance with respect to the insurance required under Sections 5.5 and 8.2 of the Lease, and shall cause the Tenant to comply with City Risk Manager requirements concerning acceptable insurance companies and forms of evidence of insurance, to the extent not inconsistent with the Lease. Cornish shall also diligently pursue each of the following: (i) Tenant's addition of the City to the policies, as provided in Sections 5.5 and 8.2 of the Lease, effective as of the date of the City's acquisition of the City Property; (ii) amendment of its liability policies to name the City as one of the insureds for primary and noncontributory limits of liability; and (iii) furnishing evidence of such insurance no later than the date of the City's acquisition of the City Property.

2. Warranties and Representations. Cornish hereby warrants and represents to the City that:

a) Corporate Status; Authority. Cornish is a corporation duly organized and in good standing under the laws of the state of Washington and has full power and authority to enter into

this Agreement, and this Agreement has been duly authorized, executed and delivered on behalf of Cornish.

b) Copy of Lease. To the best of Cornish's knowledge, the copy of the Lease attached hereto as Schedule A is a true, complete and correct copy of the Lease.

c) No Modifications. To the best of Cornish's knowledge, the Lease has not been modified or amended and is the only lease or rental agreement, either oral or in writing, relating to the occupancy of the City Property.

d) No Claims or Offsets. To the best of Cornish's knowledge, neither Cornish nor the Tenant has any claims, setoffs, defenses or causes of action, at law or in equity, with respect to the Lease or any payment of rent or other sums payable under the Lease.

e) Monthly Rent. The current monthly rent under the Lease is $8500. Tenant has paid monthly rent through _____.

f) Termination of Lease. Cornish and Tenant have entered into a letter agreement (a copy of which is attached hereto as Schedule C) wherein Tenant has agreed that Cornish's current development plans satisfy the Lease termination provisions of Section 17.12(b). Cornish warrants that it will comply with the terms of such letter agreement.

3. Covenants. Cornish covenants as follows:

a) No Amendment. Cornish shall not enter into any agreement amending, modifying, or extending the Lease without the prior written consent of the City.

b) No Offset. Cornish shall not allow or agree to any offset of rent or change of rent without the prior written consent of the City.

c) No Forbearance. Cornish shall not forbear from enforcing the terms of the Lease against the Tenant without the prior written consent of the City.

d) No Assignment. Subject to Section 9.1 of the Lease, Cornish shall not allow Tenant to assign all or any portion of its interest in the Lease or to sublet all or any portion of the Premises without the prior written consent of the City.

e) Copies. Cornish shall provide to the City, as soon as possible, a copy of each notice, document, and written communication received by Cornish from the Tenant or sent to the Tenant by or for Cornish.

f) Tenant Reimbursement. Cornish shall be solely responsible for reimbursing Tenant for the amount of any unamortized improvements on the Premises in satisfaction of Section 17.12 of the Lease.

4. Indemnity. The City shall not become obligated to keep, fulfill, observe, perform or discharge, nor does the City assume, expressly or impliedly, any covenant, duty, debt or obligation of the lessor under the terms, provisions and conditions of the Lease, and Cornish hereby agrees to indemnify the City against and defend and hold the City harmless from and against any and all costs, claims, fees and expenses (including the City's attorneys' fees) arising out of or in any way relating to defaults and liabilities of Cornish or its predecessor in interest under the Lease. Additionally, Cornish hereby agrees to indemnify, defend and hold harmless City and City's members, managers, affiliates, directors, officers, and employees, for, from and against any and all claims, suits, actions, proceedings, or liabilities of any kind, including attorney's fees and expenses associated therewith, arising from or in any way connected to that certain Letter Agreement dated November 2, 2006, concerning the South Land Union Street Car Local Improvement District No. 6750 assessment for the Property, between Charles Anderson and Enterprise Rent-a-Car, a copy of which is included in the Enterprise Lease attached as Schedule A.

5. Notices. Any notice, request or demand given or made under this Agreement (each such notice, request, or demand being called a "***Notice***") shall be in writing and shall be considered received when hand delivered, when received by facsimile transmission during normal business hours, or two (2) business days after sent, postage prepaid, by U.S. mail. Each Notice which is given (the party giving the Notice is called the "***Sending Party***") to the other (such other party being called the "***Receiving Party***") shall be addressed to such Receiving Party at its address set forth below. Each party to this Agreement may designate a change of address by Notice given, as provided in this Section, to the other party at least fifteen (15) calendar days prior to the date such change of address is to become effective.

Cornish:
Cornish College of the Arts
1000 Lenora Street
Seattle, WA 98121
Facsimile: (206) 726-5053
Attn: Jeff Riddell

City:
Seattle Department of Parks and Recreation
800 Maynard Avenue South, 3rd Flr.
Seattle, WA 98134
Facsimile: (206) 233-7038
Attn: Property Management

6. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of Cornish and the City and their respective successors and assigns.

7. **No Oral Changes**. This Agreement may not be modified in any manner or terminated except by an instrument in writing executed by the parties to this Agreement.

8. **Applicable Law.** This Agreement shall be governed by and construed under the substantive laws of the state of Washington.

9. **Headings Have No Legal Effect**. The headings and captions of this Agreement are for convenience of reference only, and have no legal effect, and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions of this Agreement.

10. **Recordation**. This Agreement shall be recorded in the King County Office of Records and Elections.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

CORNISH COLLEGE OF THE ARTS,
a Washington non-profit corporation

By: _____
Sergei Tschernisch, President

By: _____
Jeff Riddell, Chief Financial Officer

THE CITY OF SEATTLE,
a Washington municipal corporation

By: _____
Timothy A. Gallagher
Superintendent of Parks and Recreation

Schedule A: Lease
Schedule B: Legal Description of Premises (City Property and Cornish Property)
Schedule C: Letter Agreement between Cornish and Tenant

Attachment 1

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this _____ day of _____, 2008, before me the undersigned, a Notary Public in and for the State of _____, duly commissioned and sworn, personally appeared _____, to me known to be the _____ of **Cornish College of the Arts,** the nonprofit corporation that executed the foregoing instrument and acknowledged the 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 the said instrument.

Date: _____

_____
NOTARY PUBLIC in and for the State of
Washington residing at _____
My commission expires: _____
PRINT NAME: _____

Use this space for Notary Seal/Stamp

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this _____ day of _____, 2008, before me the undersigned, a Notary Public in and for the State of _____, duly commissioned and sworn, personally appeared _____, to me known to be the _____ of **Cornish College of the Arts,** the nonprofit corporation that executed the foregoing instrument and acknowledged the 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 the said instrument.

Date: _____

_____
NOTARY PUBLIC in and for the State of
Washington residing at _____
My commission expires: _____
PRINT NAME: _____

Use this space for Notary Seal/Stamp

Attachment 1

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this _____ day of _____, 2008, before me the undersigned, a Notary Public in and for the State of _____, duly commissioned and sworn, personally appeared _____, to me known to be the _____ of the _____of THE CITY OF SEATTLE, the municipal corporation that executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation for the uses and purposes therein mentioned, and on oath stated that s/he was authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.

Date: _____

_____
NOTARY PUBLIC in and for the State of
Washington residing at _____
My commission expires: _____
PRINT NAME: _____

Use this space for Notary Seal/Stamp

Attachment 1

Schedule A

LEASE

COMMERCIAL LEASE

THIS LEASE, made and entered into this 6th day of April, 1993, by and between HOWARD K. ANDERSON and DORCAS ANDERSON, husband and wife ("Lessor") and ENTERPRISE LEASING COMPANY, d/b/a ENTERPRISE RENT-A-CAR, a Washington corporation, ("Lessee").

W I T N E S S E T H:

In consideration of the mutual promises, covenants and conditions hereinafter set forth, the parties hereby agree as follows:

ARTICLE I
LEASED PREMISES

Leased Real Property

1.1 Lessor hereby leases to Lessee, and Lessee hereby hires from the Lessor those certain commercial buildings and office space in Seattle, King County Washington, illustrated in Exhibit A attached hereto and located on property legally described in Exhibit B attached hereto, which exhibits are incorporated by reference (said property hereinafter referred to as the Leased Premises).

Signs

1.2 Lessee shall obtain all requisite governmental permits to affix any signs to the exterior of the Leased Premises. All signs of Lessee shall be subject to the prior written approval of Lessor, which approval shall not be unreasonably withheld.

ARTICLE II
TERM

Term/Options to Renew/Termination

2.1 Term.

The term of this Lease shall be for a period of five (5) years commencing on the 1st day of December, 1993, and ending at 11:59 p.m. on the 30th day of November, 1998.

2.2 Options to Renew.

Lessee shall have the option to extend this lease for two additional terms of five years each upon the same terms and conditions as contained in this lease except as to rent. To exercise any such options, Lessee shall give written notice of intention to do so to

the Lessor not less than six months before the termination date of the then current lease term or extended term. Lessee's right to renew this lease is conditioned upon Lessee having performed all conditions and covenants on its part to be performed at the end of the then-current lease term or the extended term.

2.3 Termination of Lease by Lessor.

Lessor may terminate this lease pursuant to paragraph 17.12.

ARTICLE III
RENT

Rent for First Five-Year Term

3.1 Lessee will pay to Lessor a rental of Five Thousand Dollars ($5,000) per month commencing December 1, 1993 for the first year, thereafter rental will by Fifty-Five Hundred Dollars ($5,500) per month through November 30, 1998. If the rent is not paid by the fifth day of the month then there shall be a late charge of one hundred dollars ($100.00) per month. Rental shall be paid in advance on the first day of each month of this lease which monthly payments shall be in the sum of Five Thousand Dollars ($5,000) per month for the first year of the lease, and Fifty-Five Hundred Dollars ($5,500) thereafter.

Rent for Any Extended Lease Term

3.2 The rental for any extended term shall be the fair rental value of the leased premises at the beginning of any extended term giving effect to all relevant conditions then existing. After the giving of notice of intention to extend the lease, Lessor and Lessee shall enter into negotiations to determine the fair rental value for the extended term on the conditions set forth in this lease. If Lessor and Lessee cannot agree upon the rental by the date which is 90 days prior to the termination of the lease, the amount of such rent shall be determined by arbitration according to the laws of the State of Washington. The parties shall select an arbitrator who is a member of the American Institute of Real Estate Appraisers or a similar or successor organization and if the parties cannot so agree, then an arbitrator shall be appointed by the Presiding Judge of the King County Superior Court. The rental to be fixed shall be based upon the property as "free and clear to lease" but in no event shall be less than $5,500 per month. The expenses of any appraisal conducted in accordance with this lease shall be borne equally by the Lessor and Lessee.

ARTICLE IV
CONDUCT OF BUSINESS

Use of Premises

4.1 Lessor agrees that Lessee and those holding by, through and under Lessee may only use the Leased Premises for general car rental, leasing, sales, and for general administrative purposes connected with said business. Without limitations on the foregoing

the Lessee shall not use the premises nor any part thereof for any trade, manufacture, occupation or any use which shall be unlawful or a nuisance or contrary to any law, ordinance, rule or regulation of public authority.

Liens or Encumbrances

4.2 Lessee shall keep the leased premises free and clear of any liens and encumbrances arising out of any work performed, materials furnished or obligations incurred by Lessee.

Compliance with Laws

4.3 Lessee shall comply with all municipal, county, state and federal ordinances or laws imposing restrictions or regulations on the leased premises and the use thereof.

ARTICLE V
UTILITIES, TAXES AND INSURANCE

Utility Charges

5.1 Lessee covenants and agrees to promptly pay prior to delinquency all charges for heat, light, sewer, water, Metro charges and all other public utilities which shall be used and/or charged against the leased premises during the term of this Lease.

Licenses and Taxes

5.2 Lessee shall be responsible for, and shall pay throughout the lease term, all license and excise fees and all occupation and personal property ad valorem taxes for the business conducted on the Leased Premises and property owned or being leased by Lessee. If any governmental authority or unit under any present or future law effective at any time during the term of this Lease shall in any manner levy a tax on rent payable under this Lease or rent accruing from use of property or a tax in any form against the Lessor because of or measured by income derived from the leasing or rental of such property, such tax shall be paid by Lessee, either directly or through Lessor, and for Lessee's default therein, Lessor shall have the same remedies as for failure to pay rent; provided, however, that Lessee shall not be liable to pay any net income tax or business and occupation tax imposed on Lessor.

Real Estate Taxes and Assessments

5.3 Real property taxes and personal property taxes and all assessments on the Leased Premises or contents thereof shall be the obligation of Lessee. This includes any obligation to the City of Seattle for street or other use purposes and in particular for using any alleys or easements. Lessor shall provide Lessee with copies of tax and assessment statements. Lessee agrees to pay to Lessor any taxes and assessments billed for the Leased Premises at least thirty (30) days before the due date. Such tax and/or assessment payment shall be deemed additional rent. Any such taxes and assessments payable during the year in

which this Lease commences or ends shall be prorated for the portion of the year the Leased Premises are under lease by Lessee. With respect to assessments which may be levied against or upon the Leased Premises, during the lease term, Lessee shall be required to pay each year only the amount of such annual installments as shall be payable during any year of the lease term (with appropriate proration for any partial year), and Lessee shall have no obligation to continue such payments after the termination of this Lease.

Property Insurance

5.5 Lessee at its expense and without cost to Lessor shall maintain during the term of this lease fire and extended insurance coverage with respect to all buildings, structures, and improvements including additions or enlargements, upon the Leased Premises or other property acquired insuring against loss or damage by fire or as otherwise provided in the insurance policies in an amount sufficient to prevent Lessor or Lessee from being a co-insurer of any partial loss under the applicable policies, which may be written on a replacement costs basis or blanket coverage subject to the ninety percent (90%) average clause and business interruption insurance guaranteeing the payment of rental for up to six months after an insured loss. Lessee shall provide copies of all insurance certificates required by this lease agreement to Lessor and shall provide proof of payment of premiums on an annual basis. All insurance maintained by Lessee pursuant to this paragraph 5.5 above shall name Lessor, Lessee, and any mortgagee, Deed of Trust Beneficiary, or contract vendor of the fee interest in the Leased Premises as insured's as their respective interests may appear, and shall include if reasonably attainable an effective waiver by the insurer of such insurance of all rights of subrogation against any named insured or such insured's interest in the Leased Premises. Provided that no cancellation, reduction in amount, or material change in coverage thereof shall be effective until at least fifteen (15) days after Lessors receipt of written notice thereof and said insurance shall be subject to approval by Lessor which approval will not be unreasonably withheld.

ARTICLE VI
CONDITION OF PREMISES AND ALTERATIONS

Alterations by Lessee

6.1 Lessee has examined the Leased Premises and any fixtures and equipment therein and accepts possession of the same in their present condition. Lessee shall not make any material alterations, additions or improvements in or to the Leased Premises, without the prior written consent of Lessor, which consent shall not be unreasonably withheld. Any alterations, additions, or improvements made by Lessee in the Leased Premises shall be at Lessee's sole expense. Lessee shall secure any and all governmental permits required in connection with any such work, and shall hold Lessor harmless from any and all liability and any and all liens resulting therefrom. With the exception of any moveable partitions which may be installed with Lessor's consent, all such alterations, additions and improvements shall become the property of the Lessor and shall remain in and be surrendered with the premises as a part thereof at the termination of this Lease, without disturbance or injury.

ARTICLE VII
CONDITION AND MAINTENANCE OF PREMISES

Condition of Premises

7.1 Lessee shall keep the Leased Premises neat, clean, and in a sanitary condition, to the satisfaction of the Board of Health and fire department of the jurisdiction in which the premises are located and its inspectors; and shall comply with each and all the statutes of the State of Washington and ordinances of the jurisdiction in which the premises are located now in force or hereafter enacted pertaining to the use and occupancy of Leased Premises by the Lessee and to keep the sidewalks and parking areas surrounding the same free and clear of ice and snow and all obstructions, according to the ordinances of said jurisdiction.

Maintenance and Repair

7.2 Lessee will be responsible for maintaining the roof, exterior walls and foundation of the buildings on the Leased Premises. The leased premises have been inspected by Lessee, including any fixtures and equipment and said premises are accepted by Lessee in their present condition. Lessee, at its sole cost and expense, shall keep the Leased Premises (including exterior doors and entrances, all windows, and moldings and trim of all doors and windows) and any partitions, door surfaces, fixtures, equipment, and appurtenances thereof (including lighting, heating and plumbing fixtures, and any air conditioning system) in good order, condition and repair, damage by unavoidable casualty excepted (but not excluding damage from burglary or attempted burglary of the Leased Premises). Without limiting the generalities thereof, Lessee shall keep the glass of all windows, doors and showcases clean and presentable; immediately replace all broken glass in the Leased Premises; make any necessary repairs to, or replacements of, all door closure apparatus and mechanisms; keep all plumbing clean and in a good state of repair; and keep all utilities within the Leased Premises in a good state of repair. Lessee shall carry and pay for a maintenance contract on any air conditioning equipment with a reputable firm providing such service.

Failure to Maintain

7.3 If Lessee fails to keep and preserve the Leased Premises, fixtures and equipment as set forth above, Lessor may, at its option, put or cause the same to be put into the condition and state of repair agreed upon, and in such case, Lessee shall pay the cost thereof, upon receipt of written statements from Lessor. Lessor shall have the right to enter the Leased Premises for the purpose of making such repairs upon Lessee's failure to do so.

No Repairs or Maintenance Required by Lessor Except as Specified

7.4 Lessor shall have no obligation to repair or maintain the Leased Premises or the buildings located thereon or the fixtures and equipment therein, whether structural or non-structural. Lessee waives the benefit of any statute now or hereinafter in effect which would otherwise afford Lessee the right to make repairs at Lessor's expense or to terminate

this Lease because of Lessor's failure to keep the Leased Premises in good order, condition and repair. Lessee has either inspected or has been afforded the opportunity to inspect all of the improvements, fixtures and equipment on the Leased Premises through an engineer of Lessee's choice, and accepts the Leased Premises and fixtures and equipment in their present condition "as is".

Surrender of Leased Premises

7.5 At the expiration or sooner termination of this Lease, Lessee shall return the Leased Premises, fixtures and equipment to Lessor in substantially the same condition in which received (or if altered by Lessor or by Lessee with Lessor's consent, then the Leased Premises, fixtures and equipment shall be returned in such altered condition), reasonable wear and tear and damage by fire or other casualty excepted. Lessee's obligation to perform this covenant shall survive the expiration or termination of this Lease.

ARTICLE VIII
INSURANCE AND INDEMNITY

Indemnification

8.1 Lessor shall not be liable for any injury to any person, or for any loss of or damage to any property (including property of Lessee) occurring in or about the Leased Premises from any cause whatsoever, unless caused by Lessor's sole negligence or willful misconduct. Lessee hereby indemnifies and holds Lessor harmless, and agrees to defend Lessor against all claims, charges, liabilities, obligations, penalties, damages, costs and expenses (including attorneys' fees) arising, claimed, charged or incurred against or by Lessor from any actual or alleged injury to any person or from any actual or alleged loss of or damage to any property caused by or resulting from any act or omission of Lessee or any officer, agent, employee, guest, invitee, or visitor of Lessee in or about the Leased Premises, except as occasioned by the sole negligence or willful misconduct of Lessor or Lessor's agent or employees. Without limiting the foregoing, Lessor and Lessor's agent shall not be liable for theft, or any damage, either to person or property, sustained by Lessee or others, caused by any defects now in the Leased Premises or hereafter occurring, becoming out of repair or caused by fire, or by the bursting or leaking of water, gas, sewer or steam pipes, or from any act or neglect of any persons or due to the happening of any accident from whatsoever cause in or about the Leased Premises.

Liability Insurance

8.2 Lessee shall, during the entire term of this Lease, keep in full force and effect a policy or policies of comprehensive general liability and property damage insurance with respect to the leased property, and the business operated thereon by the Lessee and any subleases or Lessee on the Leased Premises with combined single limit coverage for bodily injury and property damage, in an amount not less than One Million and Five Hundred and No/100 Dollars ($1,500,000.00). Lessor shall be named as one of the insured's and shall be furnished with a certificate of such insurance, which shall bear an endorsement that the same

shall not be canceled except upon not less than twenty (20) days prior written notice to Lessor. The insurance shall be with an insurance company or companies and in a form approved by Lessor which consent will not be unreasonably withheld. A copy of each policy or certificate of insurance shall be delivered to Lessor prior to commencement of the term.

Waiver of Subrogation

8.3 Lessor and Lessee hereby mutually release each other from liability and waive all rights of recovery against each other for any loss in or about the Leased Premises, from perils insured under their respective fire insurance contracts, including any extended coverage endorsements thereof, whether due to negligence or any other cause; provided, that this section shall be inapplicable if it would have the effect, but only to the extent that it would have the effect of invalidating any insurance coverage of Lessor or Lessee. If at any time this waiver of subrogation provision is unacceptable to the insurer of either party, that party shall immediately notify the other party of such information.

ARTICLE IX
ASSIGNMENT AND SUBLETTING

Assignment and Subletting

9.1 Lessee shall not assign or transfer this Lease or any interest therein or sublet the whole or any part of the Leased Premises, nor shall this Lease or any interest therein be assignable or transferable by operation of law or by any process or proceeding of any court, or otherwise, without the prior written consent of Lessor which consent shall not be unreasonably withheld.

ARTICLE X
DESTRUCTION OF LEASED PREMISES

Notice

10.1 In case the improvements on the leased premises are destroyed or damaged by fire, earthquake, or other casualty during the term of this Lease, Lessee shall give Lessor immediate written notice thereof.

Substantial or Partial Destruction

10.2 No Abatement of Rent or Termination by Reason of Damage or Destruction. In the event there is any destruction or damage to the property or the buildings and improvements from any cause whatsoever, the rent shall not be abated.

10.3 Loss or Damages. If at any time during the term of this lease, or any extension thereof, the building or any improvements on the property are damaged or destroyed from any cause whatsoever, Lessee shall promptly restore the building and/or any improvements thereon to their condition prior to their destruction or damage. Fire insurance

proceeds shall be paid to Lessor and Lessor shall pay to Lessee the proceeds thereof from time to time as the rebuilding work progresses for the costs of each rebuilding, repair or restoration. Disbursement shall be made upon written request of Lessee, accompanied by evidence satisfactory to Lessor that the amount requested has been paid or is then due and payable and is properly a part of such costs. In the event the insurance proceeds are not sufficient to completely rebuild the building(s) or improvements, Lessee shall make up any difference.

Provided, however, so long as any leading institution, its successors or assigns or any other party has an interest in the Leased Premises as the beneficiary of a deed of trust, vendor of a real estate contract or otherwise, any policy or policies provided for fire or other casualty insurance which Lessor or Lessee may be obligated to maintain may be deposited with and made payable to said lending institution as beneficiary of a deed of trust or vendor as their interests may appear under a standard mortgagee's clause provided that if there is no default in the payment of said lending institution's note or under the terms of its deed of trust, or payments to any vendor, any loss proceeds paid by the insurer to said lending institution shall thereupon be made available promptly for the repair of restoration of the Leased Premises upon presentation of material and labor bills for work completed, but only in the event the Lessee has confirmed to said lending institution the lease will continue in full force and effect upon completion of such repairs or restoration, which work shall be diligently pursued.

ARTICLE XI
EMINENT DOMAIN

Total Taking

11.1 If all of the Leased Premises are taken by eminent domain, this Lease shall terminate as of the date Lessee is required to vacate the Leased Premises, and all rent shall be paid to that date.

Partial Taking

11.2 If a taking of any part of the Leased Premises by eminent domain renders the Leased Premises unsuitable for the business of Lessee, then this Lease may, at the option of either party, be terminated as of the date when Lessee is required to vacate the portion of the Leased Premises so taken by written notice given to the other party not more than thirty (30) days after Lessor received notice of the taking, and if terminated, all rent shall be paid to the date of termination. Whenever any portion of the Leased Premises shall be taken by eminent domain, and this Lease is not terminated, Lessor shall, at its expense, proceed with all reasonable dispatch to do such work as may be required to restore the structure of the Leased Premises, or what remains thereof, as nearly as may be to the condition they were in immediately prior to such taking, and Lessee shall, at its expense, proceed with all reasonable dispatch to do such work to the fixtures, furniture, furnishings, floor covering and equipment as may be required to restore them as nearly as may be to the same condition they were in immediately prior to such taking. From the date Lessee is required to vacate that portion of

the Leased Premises taken, the minimum rent payable hereunder shall be reduced in the same proportion that the area taken bears to the overall area of the Leased Premises. The Lessor shall be entitled to receive the entire award in the condemnation proceedings. Lessee hereby specifically assigns to Lessor any and all right, title and interest which Lessee now has or may hereafter have in or to any such award or any part thereof, and Lessee shall be entitled to receive no part of such award.

ARTICLE XII
LESSEE'S DEFAULT

Default

12.1 Time is of the essence hereof. The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Lessee.

(a) Failure to Pay Rent. Lessee's failure to make any payment of minimum rent, additional rent, or any other sum to be paid by Lessee hereunder, as and when due, where such failure continues for a period of five (5) business days after written notice thereof by Lessor to Lessee.

(b) Failure to Perform. Lessee's failure to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Lessee (other than described in 12.1(b) above) where such failure continues for a period of ten (10) business days after written notice thereof by Lessor to Lessee.

Remedies

12.2 Following a default or breach by Lessee, without limiting Lessor in the exercise of a right or remedy Lessor may have under this Lease, at law or in equity, Lessor may, at its option, upon written notice to Lessee, declare Lessee's rights under this Lease terminated and re-enter the leased premises using such force as may be necessary and repossess itself thereof as of its former estate and remove all persons and property from the leased premises, and such property may be removed and stored in a public warehouse or elsewhere at the cost of, and for the account of Lessee, all without service of notice or resort to legal process, and without being deemed guilty of any trespass or becoming liable for any loss or damage caused thereby. Lessor may sell such personal property excluding automobiles in a commercially reasonable sale after such personal property has been stored for a period of thirty (30) days or more. Notwithstanding any such re-entry, the liability of Lessee for the rent provided for herein shall not be extinguished for the balance of the term of this Lease, and Lessee shall make good to Lessor any deficiency arising from receipt by Lessor of a lesser rent than provided for herein and from any commission cost of reletting.

Legal Expenses

12.3 If either party is required to bring any action or otherwise refer this Lease to an attorney for the enforcement of any of the covenants, terms and conditions of this Lease,

RAD

the prevailing or non-defaulting party shall, in addition to all other remedies provided herein, receive from the other party all the costs, including a reasonable attorneys' fee, incurred in the enforcement of the covenants, terms and conditions of this Lease (whether or not an action is instituted) and including any such costs and fees incurred by the prevailing party on any appeal.

Waiver

12.4 Neither the acceptance of rent, nor any other act or omission of Lessor at any time or times after the happening of any event authorizing the cancellation or forfeiture of this Lease shall operate as a waiver of any past or future violation, breach, or failure to keep or perform any covenant, agreement, term, or condition hereof or to deprive Lessor of its rights to cancel or forfeit this Lease, upon the written notice provided for herein, at any time that cause for cancellation or forfeiture may exist or be construed so as to at any future time estop Lessor from properly exercising any other option, right, or remedy that it may have under any term or provision of this Lease, at law or in equity.

ARTICLE XIII
ACCESS BY LESSOR AND OTHERS

Right of Entry

13.1 Lessor or Lessor's agents during business hours on forty-eight (48) hours notice shall have the right to enter the Leased Premises at reasonable business hours to examine the same, including fixtures and equipment, and to show them to prospective purchasers or lessees of the building, and to make such repairs, alterations, improvements, or additions as Lessor may deem desirable. If Lessee is not personally present to permit entry and an entry is necessary or permissible, Lessor may enter the same by a master key or may forcibly enter the same, without rendering Lessor liable therefor. Nothing contained herein shall be construed to impose upon Lessor any duty of repair of the building except as otherwise specifically provided for herein. This paragraph does not restrict Lessors right under paragraph 1.2.

Inspections

13.2 Lessee shall permit access to the Leased Premises for all such inspections as may be required by law, and Lessee shall, during the term of this Lease, pay all fees due the city, county, state or federal government on account of any inspection made on said leased premises by any officer or agent of said city, county, state or federal government, which inspections are in relation to the use and occupancy of said premises by the Lessee or the conduct of the business of the Lessee therein.

ARTICLE XIV
SURRENDER OF PREMISES

Surrender of Possession

14.1 Lessee covenants and agrees to promptly yield and deliver to Lessor possession of the Leased Premises, including the fixtures and equipment described above, without notice at the expiration date or at any prior termination date. The Leased Premises, including the above-described fixtures and equipment, shall be in the same condition as when first obtained by Lessee, reasonable wear and tear and damage by insurable risks excepted. Lessee further agrees to remove all of its personal property from said premises, to clean the premises and to deliver to Lessor all keys to the Leased Premises at the expiration of the term or sooner termination date.

Holding Over

14.2 Any holding over by Lessee after the expiration of the term hereof, with Lessor's consent, shall be construed to be a tenancy from month to month at the rent provided for during the final month of the initial term of this Lease, and on all of the terms and conditions set forth, so far as is consistent with such month to month tenancy.

ARTICLE XV
QUIET ENJOYMENT

Lessor's Covenant

15.1 Lessee, upon fully complying with and promptly performing all of the terms, covenants, and conditions of this Lease on its part to be performed, shall have and quietly enjoy the Leased Premises for the term set forth herein.

ARTICLE XVI
MISCELLANEOUS

Notices

17.1 Except as may otherwise be provided herein, any notices required in accordance with any of the provisions herein shall be sent by registered or certified mail addressed to Lessor at 1830 Broadmoor Drive, Seattle, WA 98112, or at such other place as Lessor may in writing direct; and addressed to Lessee at 11961 - 124th Avenue N.E., Kirkland, WA 98034; or at such other place as Lessee may in writing direct.

Successors and Assigns

17.2 All the terms, conditions, covenants and agreements of this Lease shall extend to and be binding upon Lessor, Lessee, and their respective heirs, administrators, executors, successors and assigns, and upon any person or persons coming into ownership or possession

of any interest in the Leased Premises by operation of law or otherwise, and shall be construed as covenants running with the land.

Insolvency

17.3 If Lessee becomes insolvent, voluntarily or involuntarily bankrupt, or if a receiver, assignee or other liquidating officer is appointed for the business of Lessee, then Lessor shall have the right to cancel this Lease.

Entire Agreement

17.4 This Lease and any exhibits or attachments hereto and forming a part hereof set forth the entire agreement of Lessor and Lessee concerning the Leased Premises, and there are no other agreements or understandings, oral or written, between Lessor and Lessee. Any subsequent modification of this Lease shall be binding upon Lessor and Lessee only if reduced to writing and signed by them.

Broker's Commission

17.5 Each of the parties represents and warrants that there are no claims for brokerage commissions or finders fees in connection with the execution of this Lease and each of the parties agrees to indemnify the other against, and hold it harmless from, all liabilities arising from any such claim (including, without limitation, the cost of attorney's fees in connection therewith).

Partial Invalidity

17.6 If any term, covenant or condition of this Lease or the application thereof to any person or circumstances is, to any extent, invalid or unenforceable, the remainder of this Lease, and the application of the term, covenant, or condition to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

Signs

17.7 At the termination of this Lease, all such signs, symbols and advertising matter attached to or painted by Lessee upon the premises with the consent of Lessor, whether on the exterior or interior thereof, shall be removed by Lessee at its own expense. Lessee shall repair any damage or injury to the premises and correct any unsightly condition caused by the maintenance or removal of any such sign.

Subordination/Nondisturbance

17.8 Lessee agrees that this Lease shall be subordinate to any mortgage or trust deed that may be existing or hereafter placed on the real property of which Leased Premise

are a part, and to any and all renewals, replacements and extensions thereof. Any security agreement shall either be subject to the terms and conditions of this Lease and the rights hereunder granted to Lessee, or such security instrument shall be prior to this Lease, provided the Mortgagee gives to Lessee a nondisturbance and attornment agreement. The nondisturbance and attornment agreement shall (i) recognize the lease of Lessee; and (ii) provide in the event of foreclosure or other realization proceedings under the security instrument, the Mortgagee or any successor to Lessor through such realization proceeding, will, as of the date of the Mortgagee or such successor acquires the Lessor's interest in the Leased Premises or otherwise gains control of the Lessor's interest be obligated to Lessee to keep and perform all of the obligations of the Lessor under this Lease, or as amended, provided Lessee is not in default in any condition of the Lease.

Covenants Running With the Land

17.9 All the covenants, agreements, conditions and undertakings in this Lease shall extend and inure to and be binding upon the heirs, executors, administrators, distributees, lessees, successors, and assigns of each of the parties hereto, the same as if they were in every case named and expressed, and same shall be construed as covenants running with the land. Wherever in this Lease reference is made to any of the parties hereto, it shall be held to also include and apply to, whenever applicable, the heirs, executors, administrators, distributees, lessees, successors and assigns of each such party, the same as if in each and every case so expressed.

Absence of Partnership

17.10 Nothing contained in this Lease shall create a partnership or joint venture as between Lessor and Lessee or render Lessor or Lessee in any way responsible for the debts of the other, it being the express intention that the relationship of the parties hereto shall at all times be that of Lessor and Lessee.

Hazardous Substances

17.11 Lessor will hold Lessee harmless from and indemnify and defend Lessee against and from any damage, loss, expense or liability, including any attorneys' fees and costs incurred as a result thereof, resulting from any prior use of the Leased Premises involving "hazardous substances" prior to Lessee's occupation of the Leased Premises. "Hazardous substances" shall be interpreted broadly to mean any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous or toxic or radio active substance, or other similar term by any federal, state or local environmental law, regulation or rule presently in affect or promulgated in the future, as such laws, regulations or rules may be amended from time to time, and it shall be interpreted to include any other substance which after release into the environment and upon exposure, ingestion, inhalation or assimilation, either directly from the environment or directly by ingestion through food or otherwise, will, may or reasonably be anticipated to cause sickness, death, disease, behavior abnormalities, cancer or genetic abnormalities. Likewise, Lessee will hold Lessor harmless from and indemnify and defend Lessor against and from any damage, loss, expense or liability,

including any attorneys' fees and costs incurred as a result thereof, resulting from any use of the Leased Premises involving "hazardous substances" during Lessees occupation of the Leased Premises.

Termination of Lease by Lessor

17.12 Lessor may terminate this lease in the event:

(a) Lessor has a bona fide sale of the leased premises to a person or entity who intends to erect upon the leased premises and adjacent property a major improvement after the demolition of any building(s) on the leased premises. Said major improvement to be a multi-story structure and may include a hotel, a store, a warehouse, or office building.

(b) Lessor undertakes a major improvement on the leased premises in conjunction with adjacent property owners wherein the building(s) on the leased premises are destroyed. A major improvement is as described immediately above. Lessor may qualify as undertaking a major improvement if Lessor is an investor, lessor, limited partner, shareholder, or participates in any other business way wherein the leased premises owned by Lessor are part of the major improvement.

Upon giving the notice of intention to terminate the lease, the term thereof shall cease, be terminated and end at the expiration of one year from the day when such notice has been mailed. After said date the Lessor may take possession of the leased premises, and every part thereof, and have and enjoy the said premises as his former estate, free, clear and discharged of this lease, and of all rights of the Lessee or any assignee hereunder.

Lessor will reimburse Lessee on the termination date of the lease and after Lessee has vacated the leased premises for the amount of any unamortized improvements on the leased premises for improvements made prior to the notice of termination. The dollar amount of unamortized leasehold improvements shall be measured by Lessee's federal income tax return and shall be prorated for any year.

IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year first above set forth.

LESSOR:

Howard K. Anderson

Doreas Anderson

LESSEE:

ENTERPRISE LEASING COMPANY, d/b/a
ENTERPRISE RENT-A-CAR,
a Washington corporation

By _____
Richard C. Goodman, Vice President
and General Manager

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this 6 day of April, 1993, personally appeared before me Howard K. and Doreas Anderson, to me known to be the Lessors, and acknowledged that they acknowledged said instrument as their free and voluntary act and deed, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.

_____
NOTARY PUBLIC in and for the State of Washington, residing at _____
My commission expires _____

JUNE MEEHAN
COMMISSION EXPIRES
NOTARY
PUBLIC
AUGUST 29, 1996
STATE OF WASHINGTON

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this 6 day of April, 1993, personally appeared before me Richard C. Goodman, to me known to be the Vice President and General Manager of Enterprise Leasing Company, d/b/a Enterprise Rent-A-Car, the 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 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.

_____
NOTARY PUBLIC in and for the State of Washington, residing at _____
My commission expires _____

JUNE MEEHAN
COMMISSION EXPIRES
NOTARY
PUBLIC
AUGUST 29, 1996
STATE OF WASHINGTON

Attachment 1

2000 Benson Rd. So., Ste. 250
Renton, WA 98055-4422
425-228-7650

LEASE EXTENSION
BETWEEN
HOWARD & DORCAS ANDERSON
AND
ENTERPRISE RENT-A-CAR

This extension refers to the property at 2116 Westlake Avenue, Seattle, Washington, 98121. Enterprise Rent-A-Car will exercise its lease option beginning ~~January 1, 1999~~ Dec 1 1998 for a term of five (5) years with one (1) five (5) year option to renew.

Rent: Rent will be paid in the same manner as it now stands, the only difference being that Enterprise will pay to Lessor $1,000.00 more per month than the current rent payment.

LESSOR:

Howard Anderson

5-6-98
Date

Dorcas Anderson

5-6-98
Date

LESSEE:

Scott Yaguchi
Vice President / General Manager
Enterprise Rent-A-Car

5/4/98
Date

Attachment 1

12/02/03

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Howard Anderson
1830 Broadmoor Drive
Seattle, WA 98112

Re: NOTICE OF EXERCISE OF LEASE RENEWAL OPTION
Enterprise Rent-A-Car
2116 Westlake Ave

Dear Howard Anderson:

The undersigned is a tenant at the above location under that certain Lease dated April 6th, 1993. Pursuant to the terms of the Lease, we hereby exercise our second five (5) year option to renew such that the term of our Lease shall now expire on November 30th, 2008. In addition Lessee, shall be granted one (1) additional five (5) year option.

Rent for the above exercised option shall be as follows:

12/1/2003-11/30/2004	$8,000.00
12/1/2004-11/30/2005	$8,000.00
12/1/2005-11/30/2006	$8,500.00
12/1/2006-11/30/2007	$8,500.00
12/1/2007-11/30/2008	$8,500.00

Rent for the remaining options shall be bound by Article 3.2 of the Lease.

Thank you for the courtesies extended to us during our tenancy and we look forward to a continued successful business relationship.

Very truly yours,

Enterprise Leasing Company A Washington State Corporation, d/b/a Enterprise Rent-A-Car

By: Richard G Thrasher
Name: Richard G Thrasher
Title: Vice President General Manager

Receipt acknowledged this ____ day of _____, 20 __

Howard Anderson

By: _____
Name: HOWARD ANDERSON
Title: PRES.

Attachment 1

LEASE AMENDMENT

This Lease Amendment is entered into the 2nd day of August, 2005 by and between Howard Anderson ("Lessor") and Enterprise Leasing Company, A Washington Corporation ("Lessee").

RECITALS

WHEREAS, Lessor and Lessee entered into a Lease dated April 6th, 1993 for the "Premises" described in the Lease Agreement located at 2116 Westlake Ave, Washington, 98112; and

WHEREAS, Lessor and Lessee wish to agree to modify and amend the Lease.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Lessor and Lessee, and in consideration of the covenants and agreements provided in said Lease, Lessor and Lessee agree as follows:

1. Renewal Option. Lessee shall be granted one (1) additional five (5) year option. This additional option will now grant the Lessee a total of two (2), five (5) year options available for the Lessee to exercise. Such extended terms shall be upon the same terms and conditions as during the term hereof. If Lessee fails to exercise its options within the time period as specified in the Lease, Lessor shall so notify Lessee and Lessee shall have seven (7) business days thereafter within which to exercise the option.

2. Rent. The minimum rent for the premises payable in advance for each month for the renewal options mentioned above, shall be set forth in the Rent schedule below:

Minimum Rent Schedule:

12/1/2008-11/30/2013	$9,350.00
12/1/2013-11/30/2018	$10,285.00

3. Except as expressly modified hereby, all other terms and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed this fourth Addendum as of the day and year first set forth above.

LESSOR

Howard Anderson
Owner

LESSEE
Enterprise Leasing Company, a Washington Corporation

By: _____
Craig Anderson
Regional Vice President

Attachment 1

Enterprise rent-a-car

9840 Willows Rd. NE, Suite 202,
Redmond, WA 98052
425 558 3200
425 558 3250 Fax
www.enterprise.com

November 2nd, 2006

Howard Anderson
1830 Broadmoor Dr.
Seattle, WA 98112

RE: Lease dated April 6th, 1993 between Howard Anderson, as Lessor, and Enterprise Leasing Company, a Washinton corporation as Lessee, for the Premises located at 2116 Westlake Ave, Seattle, WA .

Dear Howard:

In accordance with the provisions of the above referenced Lease, this is to confirm the following:

1. Lessor is in receipt of $109,887.05 from Lessee for payment of the South Lake Union Streetcar LID No. 6750 Final Assessement for King County Parcels 0660000485 and 0660000540 which Lessee is responsible for pursuant to section 5.3 of the Lease.

2. If the Lease shall terminate prior to 11/30/18 then Lessor shall refund to Lessee the above amount less the prorated portion for which Lessee has occupied the Premises. Such prorated portion shall be calculated in the following manner:
$109,887.05 multiplied by, the number of months occupied by Lessor from 10/31/06 to the termination date, divided by the total number of months from 10/1/06 to 11/30/18, or 145 months.

If the above accurately reflects your understanding, please sign both enclosed copies below and return one (1) original to my attention.

Sincerely,
Enterprise Leasing Company,
a Washington Corporation
d/b/a Enterprise Rent-A-Car

Vice President

AGREED AND CONSENTED TO:

By: _____

Date: 11/22/06

Enterprise

March 20th, 2008

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Cornish College of the Arts
1000 Lenora
Seattle, WA 98121
Attn: Vick Clayton

Re: NOTICE OF EXERCISE OF LEASE RENEWAL OPTION
Enterprise Rent-A-Car
2116 Westlake Ave, Seattle, WA 98121

Dear Vicki Clayton:

The undersigned is a tenant at the above location under that certain Lease dated April 6th, 1993. Pursuant to the terms of the Lease, we hereby exercise our third, five (5) year option to renew such that the term of our Lease shall now expire on November 30th, 2013.

While not a condition to the effectiveness of this Notice, we request that you acknowledge receipt of this letter by signing and returning to the undersigned the enclosed counterpart of this letter.

Thank you for the courtesies extended to us during our tenancy and we look forward to a continued successful business relationship.

Very truly yours,

Enterprise Leasing Company, a Washington State Corporation, d/b/a Enterprise Rent-A-Car

By: Richard G. Thrasher
Name: Richard G. Thrasher
Title: Vice President/General Manager

Receipt acknowledged this 24 day of April, 20 08

By: _____

Name: _____

Title: _____

Attachment 1
Schedule B

LEGAL DESCRIPTION OF PREMISES
(CITY PROPERTY AND CORNISH PROPERTY)

City Property:

That portion of Lots 1, 2, and 3, Block 24, Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's 2nd Addition to the City of Seattle), according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington, lying easterly of and excepting therefrom that portion condemned in King County Superior Court Cause Number 36118 for Westlake Avenue, as provided by Ordinance Number 7733 of the City of Seattle.

Cornish Property:

That portion of Lot 10, Block 24, Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's 2nd Addition to the City of Seattle), according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington, lying easterly of and excepting therefrom that portion condemned in King County Superior Court Cause Number 36118 for Westlake Avenue, as provided by Ordinance Number 7733 of the City of Seattle

Attachment 1
Schedule C
LETTER AGREEMENT BETWEEN CORNISH AND TENANT

Feb. 25, 2008

Richard G. Thrasher
Vice President/General Manager
Enterprise
1119 S.W. 7th Street
Renton, WA 98055

Re: Commercial Lease dated April 6, 1993, as amended by letter dated December 2, 2003, and lease amendment dated August 2, 2005 (the "Lease") between Howard K. Anderson and Doreas Anderson, husband and wife ("Anderson"), and Enterprise Leasing Company, d/b/a Enterprise Rent-A-Car, a Washington corporation ("Enterprise"), for property located at 2116 Westlake Avenue, Seattle, Washington (the "Property")

Dear Mr. Thrasher:

As we have previously discussed, Cornish is the successor-in-interest to Anderson's interest under the above referenced Lease.

The purpose of this letter is to advise Enterprise of Cornish's plans to redevelop the Property in conjunction with Cornish's adjacent property located at 2101 9th Avenue (the "Improvement Project") and to request that Enterprise confirm Cornish's belief that the proposed Improvement Project satisfies the termination provisions set forth in Section 7.12 of the Lease. Preliminary plans and drawings depicting the proposed Improvement Project are enclosed with this letter.

Applicable Lease Provision

Section 12.2 of the Lease provides:

Lessor may terminate this lease in the event:

12.2(a).

"Lessor has a bona fide sale of the leased premises to a person or entity who intends to erect upon the leased premises and adjacent property a major improvement after the demolition of any building on the leased premises. Said major improvement shall be a multi-story structure and may include a hotel, condominium or office building."

Attachment 1

17.12(b):

"Lessor may terminate this Lease in the event Lessor undertakes a major improvement on the leased premises in conjunction with adjacent property owners and the building(s) on the leased premises are destroyed. A major improvement is as described immediately above (in Section 17.12(a))."

Description of Improvement Project

The proposed Improvement Project consists of the following:

1. A sale of a portion of the Property (the "Park Property") to the City of Seattle ("City") for future construction of a public park and related improvements;

2. Construction upon the Park Property of a park and certain related improvements;

3. Complete renovation of the structure now existing on Cornish's adjacent property (the "Cornish Facility");

4. Demolition (by Cornish) of the Enterprise rental car facility now located on the unsold portion of the Property and use of that area in conjunction with the Cornish Facility;

5. Construction of a new, multi story dance and theater facility with accompanying public performance venues; and

6. Use of the Property for the staging of construction materials, supplies and a crane to be used in the construction and renovation of the Cornish Facility.

Request for Confirmation

Please confirm Enterprise's agreement that the proposed Improvement Project, as outlined above and depicted in the enclosed preliminary plans and drawings, meets the condition(s) for termination of the Lease described in Section 17.12 thereof by counter-signing this letter where indicated below.

Please note this letter is not intended as notice that Cornish is terminating the Lease. Rather, this letter is intended solely to apprise you of the proposed Improvement Project and obtain your acknowledgement that the Improvement Project, if undertaken, satisfies the Lease termination provisions set forth above.

If you have any questions regarding the foregoing, please do not hesitate to contact me by telephone at 206 604 8491.

Very truly yours,

Vicki Clayton
Chief Operations Officer

Enclosures

The undersigned, on behalf of Enterprise Leasing Company, acknowledges receipt of this letter and agrees that the proposed Improvement Project, as outlined above and depicted on the enclosed preliminary plans and drawings, satisfies the Lease termination provisions set forth in Section 17.12 thereof and entitles Cornish to terminate the Lease in accordance with the terms set forth therein.

ENTERPRISE LEASING CORPORATION

By: _____
Name: Rich Thrasher
Title: VP/GM
Date: 9/10/08

Enclosures:

1. Lease
2. Preliminary Plans and Drawings

K:\20\[illegible]\[illegible]\[illegible]_BLL\[illegible]

Attachment 1

EXHIBIT E

TENANT CERTIFICATE
(pages 73-102 of this Agreement)

Attachment 1

TENANT ESTOPPEL CERTIFICATE AND AGREEMENT

To: The City of Seattle
c/o Department of Parks and Recreation
800 Maynard Avenue South, 3rd Floor
Seattle, WA 98134

Re: Lease dated April 6, 1993 as amended by Lease Extension dated May 6, 1998, Letter Agreement dated December 2, 2003, Lease Amendment dated August 2, 2005, Letter Agreement dated November 2, 2006, and Lease Extension dated March 20, 2008 (collectively "Lease") between Cornish College of the Arts, as successor in interest to Howard K. Anderson and Dorcas Anderson ("Lessor"), and Enterprise Leasing Company dba Enterprise Rent-A-Car ("Tenant") of premises located at 2116 Westlake Avenue, Seattle, Washington 98112

Ladies and Gentlemen:

We understand that Cornish College of the Arts ("Cornish"), the successor to Lessor under the above-described Lease, intends to sell to the City of Seattle ("City") a portion of the real property that is currently leased to Tenant. The portion to be acquired by the City is legally described on Attachment 1 attached hereto and incorporated herein ("City Property"). We understand that the City intends to purchase the City Property subject to the Lease and that City intends to accept a partial assignment of the Lessor's interest in the Lease at closing. We further understand that as a condition to closing, the City requires certain representations, warranties, assurances and agreements from Tenant. This Tenant Estoppel Certificate and Agreement shall be valid in all respects from the date of its execution through and including the date upon which the City acquires title to the City Property from Cornish (the "Closing Date"), *provided* such acquisition occurs on or before January 31, 2009. At any time prior to the Closing Date, upon the occurrence of any event which would render any of the statements contained herein materially untrue, Tenant may revoke this Estoppel Certificate and Agreement by written notice to Cornish and City delivered in the manner set forth in Section 17 and, in the absence of such revocation, Cornish and the City may rely upon the statements contained herein as of the Closing Date.

We hereby warrant to you and agree with you as follows:

1. The Lease is in full force and effect, has not been modified or amended except as set forth above and is enforceable in accordance with its terms. A true and complete copy of the Lease is attached hereto as Attachment 2.

2. The legal description of the real property leased by Tenant under the Lease is attached hereto as Attachment 3 ("Premises").

3. The term of the Lease commenced on December 1, 1993, and expires on November 30, 2013 (as evidenced by our March 20, 2008 letter exercising our third 5-year option to renew). As of the date hereof Tenant is in possession of the Premises in accordance with the terms of the Lease. Tenant has no rights of renewals or other Lease extension options respecting the Premises except as stated in the lease amendment dated August 2, 2005, which provides for two five-year renewal options, one of which remains unexercised, and if exercised, will extend the term of the Lease until November 30, 2018, unless the Lease is sooner terminated.

4. Cornish and Tenant have entered into a letter agreement (a copy of which has been provided to the City) wherein Tenant has agreed that Cornish's current development plans for the Premises satisfy the Lease termination provisions of Section 17.12(b) and that the Lease may be terminated pursuant to such letter and the terms of Section 17.12.(b).

5. Tenant has not assigned, transferred, or encumbered all or any portion of its interest in the Lease. Tenant does not currently sublet the Premises, or any portion thereof.

6. To Tenant's actual knowledge without investigation, Tenant is not in default in the performance of any term or provision of the Lease to be performed by Tenant. To Tenant's actual knowledge without investigation, no condition exists that, with the passage of time or the giving of notice, would constitute a default if not cured within any applicable cure period.

7. Cornish is not in default in the performance of any term or provision of the Lease to be performed by Cornish. No condition exists that, with the passage of time or the giving of notice, would constitute a default if not cured within any applicable cure period.

8. On the date of Cornish's acquisition of the Premises, Lessor was not in default in the performance of any term or provision of the Lease to be performed by Lessor. Tenant has no claims against Lessor with respect to the Lease or the Premises, and Tenant hereby acknowledges and agrees that Cornish and the City have no liability to Tenant, and Tenant hereby releases Cornish and the City, for any acts or omissions of Lessor with respect to the Lease or the Premises.

9. Neither Cornish nor Lessor, the predecessor in interest to Cornish, has waived the performance or observance by Tenant of any of the terms, covenants or conditions to be performed or observed by Tenant under the Lease, and Tenant has not waived the performance or observance by Lessor or Cornish of any of the terms, covenants or conditions to be performed or observed by the lessor under the Lease.

10. Tenant has received no notice and has no knowledge of a prior sale, transfer, assignment, hypothecation, or pledge of the Premises, or any part thereof, or of the Lease, or the

rents or any other interest thereunder, besides the sale of the Property which closed on January 10, 2008 between the Estate of Howard Anderson, seller, and Cornish College of the Arts, buyer, AND the pending sale of a portion of the Property, between Cornish College of the Arts, seller, and the City of Seattle, buyer.

11. Intentionally deleted.

12. The current rent under the Lease is Eight Thousand Five Hundred Dollars ($8500) per month, scheduled to increase to Nine Thousand Three Hundred Fifty Dollars ($9350) per month starting December 1, 2008. No rent or other sum payable by Tenant under the Lease has been prepaid. As of the date hereof, there is no offset or defense to the payment of any rent, additional rent, or other sums payable under the Lease.

13. The annual real property taxes for the City Property, which Tenant is required to pay under the terms of the Lease, are Twenty-six Thousand Nine Hundred Seventy-four and 35/100 Dollars ($26,974.35) for 2008. Tenant understands that the City Property will be exempt from general real property taxes (but not special district charges, including, without limitation, surface water and noxious weed charges) upon City acquisition of the City Property, but that pursuant to RCW Chapter 82.29A, Tenant is required to pay leasehold excise tax in lieu of general real property taxes with respect to rent for the City Property. Tenant acknowledges that it has agreed to pay such a tax pursuant to Section 5.2 of the Lease. In addition, Tenant will continue to be responsible for payment of special district charges for the City Property, which Tenant shall pay on a semi-annual basis on or prior to the payment due dates.

14. Tenant agrees to make payments of the leasehold excise tax owed with respect to the rent for the City Property, on a monthly basis along with Tenant's rent payment. Rent allocable to the City Property is 55% of the total rent, or currently Four Thousand Eight Hundred Seventy-five and 00/100 Dollars ($4875.00) per month (subject to the increase described in Section 12 above). The real estate excise tax is twelve and 84/100 percent (12.84%) of the rent for the City Property, or currently Six Hundred Twenty-five and 95/100 Dollars ($625.95) per month (subject to the increase described in Section 12 above). Upon written notice to Tenant that the City has acquired the City Property until further written notice from the City, Tenant shall make payments of rent and of leasehold excise tax directly to Cornish. Tenant shall pay rent for the City Property along with leasehold excise tax directly to the City upon receipt of written notice from the City to do so.

15. Within ten business days of written notice from Cornish of closing of the City's acquisition of the City Property, Tenant shall add the City to its policies of insurance, as required by Sections 5.5 and 8.2 of the Lease, and shall provide to the City evidence of payment, waivers and copies of all insurance certificates as required by the Lease. In addition, with respect to the insurance required under Section 8.2 of the Lease, Tenant agrees to cause its insurer to name the City as one of the insureds.

16. Tenant's address for notice is:

Attachment 1

Enterprise Rent-A-Car
1119 SW 7th Street
Renton, WA 98057
ATTN: General Manager

17. Tenant agrees to notify the City and Cornish in writing, sent via first class mail return receipt requested, of any default under the Lease and any change of circumstance that affects the accuracy of the warranties made by Tenant. The City's address for notice is:

Seattle Department of Parks and
Recreation
800 Maynard Avenue South
Third Floor
Seattle, WA 98134
ATTN: Property Management

Cornish's address for notice is:

Cornish College of the Arts
1000 Lenora Street
Seattle, WA 98121
ATTN: Vicki Clayton

18. Tenant represents and warrants that it is a corporation duly organized and in good standing under the laws of the state of Washington, and that this Tenant Estoppel Certificate and Agreement has been duly authorized, executed and delivered on behalf of Tenant.

This Tenant Estoppel Certificate and Agreement shall inure to the benefit of, and may be relied upon by the City, its successors and assigns.

TENANT:

Enterprise Leasing Company dba
Enterprise Rent-A-Car

By:_____
Name:_____
Title:_____

Dated:_____

Attachments:
1. Legal Description of City Property

Attachment 1

2. Copy of the Lease
3. Legal Description of the Premises

Attachment 1

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this _____ day of _____, 2008, before me the undersigned, a Notary Public in and for the State of _____, duly commissioned and sworn, personally appeared _____, to me known to be the _____ of _____, the corporation that executed the foregoing instrument and acknowledged the 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 the said instrument.

Date: _____

_____
NOTARY PUBLIC in and for the State of Washington residing at _____
My commission expires: _____
PRINT NAME: _____

Use this space for Notary Seal/Stamp

Attachment 1
Attachment 1

Legal Description of City Property

That portion of Lots 1, 2, and 3, Block 24, Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's 2nd Addition to the City of Seattle), according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington, lying easterly of and excepting thereof that portion condemned in King County Superior Court Cause Number 36118 for Westlake Avenue, as provided by Ordinance Number 7733 of the City of Seattle.

Attachment 1
Attachment 2

Copy of Lease

COMMERCIAL LEASE

THIS LEASE, made and entered into this 6th day of April, 1993, by and between HOWARD K. ANDERSON and DORCAS ANDERSON, husband and wife ("Lessor") and ENTERPRISE LEASING COMPANY, d/b/a ENTERPRISE RENT-A-CAR, a Washington corporation, ("Lessee").

WITNESSETH:

In consideration of the mutual promises, covenants and conditions hereinafter set forth, the parties hereby agree as follows:

ARTICLE I
LEASED PREMISES

Leased Real Property

1.1 Lessor hereby leases to Lessee, and Lessee hereby hires from the Lessor those certain commercial buildings and office space in Seattle, King County Washington, illustrated in Exhibit A attached hereto and located on property legally described in Exhibit B attached hereto, which exhibits are incorporated by reference (said property hereinafter referred to as the Leased Premises).

Signs

1.2 Lessee shall obtain all requisite governmental permits to affix any signs to the exterior of the Leased Premises. All signs of Lessee shall be subject to the prior written approval of Lessor, which approval shall not be unreasonably withheld.

ARTICLE II
TERM

Term/Options to Renew/Termination

2.1 Term.

The term of this Lease shall be for a period of five (5) years commencing on the 1st day of December, 1993, and ending at 11:59 p.m. on the 30th day of November, 1998.

2.2 Options to Renew.

Lessee shall have the option to extend this lease for two additional terms of five years each upon the same terms and conditions as contained in this lease except as to rent. To exercise any such options, Lessee shall give written notice of intention to do so to

the Lessor not less than six months before the termination date of the then current lease term or extended term. Lessee's right to renew this lease is conditioned upon Lessee having performed all conditions and covenants on its part to be performed at the end of the then-current lease term or the extended term.

2.3 Termination of Lease by Lessor.

Lessor may terminate this lease pursuant to paragraph 17.12.

ARTICLE III
RENT

Rent for First Five-Year Term

3.1 Lessee will pay to Lessor a rental of Five Thousand Dollars ($5,000) per month commencing December 1, 1993 for the first year, thereafter rental will by Fifty-Five Hundred Dollars ($5,500) per month through November 30, 1998. If the rent is not paid by the fifth day of the month then there shall be a late charge of one hundred dollars ($100.00) per month. Rental shall be paid in advance on the first day of each month of this lease which monthly payments shall be in the sum of Five Thousand Dollars ($5,000) per month for the first year of the lease, and Fifty-Five Hundred Dollars ($5,500) thereafter.

Rent for Any Extended Lease Term

3.2 The rental for any extended term shall be the fair rental value of the leased premises at the beginning of any extended term giving effect to all relevant conditions then existing. After the giving of notice of intention to extend the lease, Lessor and Lessee shall enter into negotiations to determine the fair rental value for the extended term on the conditions set forth in this lease. If Lessor and Lessee cannot agree upon the rental by the date which is 90 days prior to the termination of the lease, the amount of such rent shall be determined by arbitration according to the laws of the State of Washington. The parties shall select an arbitrator who is a member of the American Institute of Real Estate Appraisers or a similar or successor organization and if the parties cannot so agree, then an arbitrator shall be appointed by the Presiding Judge of the King County Superior Court. The rental to be fixed shall be based upon the property as "free and clear to lease" but in no event shall be less than $5,500 per month. The expenses of any appraisal conducted in accordance with this lease shall be borne equally by the Lessor and Lessee.

ARTICLE IV
CONDUCT OF BUSINESS

Use of Premises

4.1 Lessor agrees that Lessee and those holding by, through and under Lessee may only use the Leased Premises for general car rental, leasing, sales, and for general administrative purposes connected with said business. Without limitations on the foregoing

the Lessee shall not use the premises nor any part thereof for any trade, manufacture, occupation or any use which shall be unlawful or a nuisance or contrary to any law, ordinance, rule or regulation of public authority.

Liens or Encumbrances

4.2 Lessee shall keep the leased premises free and clear of any liens and encumbrances arising out of any work performed, materials furnished or obligations incurred by Lessee.

Compliance with Laws

4.3 Lessee shall comply with all municipal, county, state and federal ordinances or laws imposing restrictions or regulations on the leased premises and the use thereof.

ARTICLE V
UTILITIES, TAXES AND INSURANCE

Utility Charges

5.1 Lessee covenants and agrees to promptly pay prior to delinquency all charges for heat, light, sewer, water, Metro charges and all other public utilities which shall be used and/or charged against the leased premises during the term of this Lease.

Licenses and Taxes

5.2 Lessee shall be responsible for, and shall pay throughout the lease term, all license and excise fees and all occupation and personal property ad valorem taxes for the business conducted on the Leased Premises and property owned or being leased by Lessee. If any governmental authority or unit under any present or future law effective at any time during the term of this Lease shall in any manner levy a tax on rent payable under this Lease or rent accruing from use of property or a tax in any form against the Lessor because of or measured by income derived from the leasing or rental of such property, such tax shall be paid by Lessee, either directly or through Lessor, and for Lessee's default therein, Lessor shall have the same remedies as for failure to pay rent; provided, however, that Lessee shall not be liable to pay any net income tax or business and occupation tax imposed on Lessor.

Real Estate Taxes and Assessments

5.3 Real property taxes and personal property taxes and all assessments on the Leased Premises or contents thereof shall be the obligation of Lessee. This includes any obligation to the City of Seattle for street or other use purposes and in particular for using any alleys or easements. Lessor shall provide Lessee with copies of tax and assessment statements. Lessee agrees to pay to Lessor any taxes and assessments billed for the Leased Premises at least thirty (30) days before the due date. Such tax and/or assessment payment shall be deemed additional rent. Any such taxes and assessments payable during the year in

which this Lease commences or ends shall be prorated for the portion of the year the Leased Premises are under lease by Lessee. With respect to assessments which may be levied against or upon the Leased Premises, during the lease term, Lessee shall be required to pay each year only the amount of such annual installments as shall be payable during any year of the lease term (with appropriate proration for any partial year), and Lessee shall have no obligation to continue such payments after the termination of this Lease.

Property Insurance

5.5 Lessee at its expense and without cost to Lessor shall maintain during the term of this lease fire and extended insurance coverage with respect to all buildings, structures, and improvements including additions or enlargements, upon the Leased Premises or other property acquired insuring against loss or damage by fire or as otherwise provided in the insurance policies in an amount sufficient to prevent Lessor or Lessee from being a co-insurer of any partial loss under the applicable policies, which may be written on a replacement costs basis or blanket coverage subject to the ninety percent (90%) average clause and business interruption insurance guaranteeing the payment of rental for up to six months after an insured loss. Lessee shall provide copies of all insurance certificates required by this lease agreement to Lessor and shall provide proof of payment of premiums on an annual basis. All insurance maintained by Lessee pursuant to this paragraph 5.5 above shall name Lessor, Lessee, and any mortgagee, Deed of Trust Beneficiary, or contract vendor of the fee interest in the Leased Premises as insured's as their respective interests may appear, and shall include if reasonably attainable an effective waiver by the insurer of such insurance of all rights of subrogation against any named insured or such insured's interest in the Leased Premises. Provided that no cancellation, reduction in amount, or material change in coverage thereof shall be effective until at least fifteen (15) days after Lessors receipt of written notice thereof and said insurance shall be subject to approval by Lessor which approval will not be unreasonably withheld.

ARTICLE VI
CONDITION OF PREMISES AND ALTERATIONS

Alterations by Lessee

6.1 Lessee has examined the Leased Premises and any fixtures and equipment therein and accepts possession of the same in their present condition. Lessee shall not make any material alterations, additions or improvements in or to the Leased Premises, without the prior written consent of Lessor, which consent shall not be unreasonably withheld. Any alterations, additions, or improvements made by Lessee in the Leased Premises shall be at Lessee's sole expense. Lessee shall secure any and all governmental permits required in connection with any such work, and shall hold Lessor harmless from any and all liability and any and all liens resulting therefrom. With the exception of any moveable partitions which may be installed with Lessor's consent, all such alterations, additions and improvements shall become the property of the Lessor and shall remain in and be surrendered with the premises as a part thereof at the termination of this Lease, without disturbance or injury.

ARTICLE VII
CONDITION AND MAINTENANCE OF PREMISES

Condition of Premises

7.1 Lessee shall keep the Leased Premises neat, clean, and in a sanitary condition, to the satisfaction of the Board of Health and fire department of the jurisdiction in which the premises are located and its inspectors; and shall comply with each and all the statutes of the State of Washington and ordinances of the jurisdiction in which the premises are located now in force or hereafter enacted pertaining to the use and occupancy of Leased Premises by the Lessee and to keep the sidewalks and parking areas surrounding the same free and clear of ice and snow and all obstructions, according to the ordinances of said jurisdiction.

Maintenance and Repair

7.2 Lessee will be responsible for maintaining the roof, exterior walls and foundation of the buildings on the Leased Premises. The leased premises have been inspected by Lessee, including any fixtures and equipment and said premises are accepted by Lessee in their present condition. Lessee, at its sole cost and expense, shall keep the Leased Premises (including exterior doors and entrances, all windows, and moldings and trim of all doors and windows) and any partitions, door surfaces, fixtures, equipment, and appurtenances thereof (including lighting, heating and plumbing fixtures, and any air conditioning system) in good order, condition and repair, damage by unavoidable casualty excepted (but not excluding damage from burglary or attempted burglary of the Leased Premises). Without limiting the generalities thereof, Lessee shall keep the glass of all windows, doors and showcases clean and presentable; immediately replace all broken glass in the Leased Premises; make any necessary repairs to, or replacements of, all door closure apparatus and mechanisms; keep all plumbing clean and in a good state of repair; and keep all utilities within the Leased Premises in a good state of repair. Lessee shall carry and pay for a maintenance contract on any air conditioning equipment with a reputable firm providing such service.

Failure to Maintain

7.3 If Lessee fails to keep and preserve the Leased Premises, fixtures and equipment as set forth above, Lessor may, at its option, put or cause the same to be put into the condition and state of repair agreed upon, and in such case, Lessee shall pay the cost thereof, upon receipt of written statements from Lessor. Lessor shall have the right to enter the Leased Premises for the purpose of making such repairs upon Lessee's failure to do so.

No Repairs or Maintenance Required by Lessor Except as Specified

7.4 Lessor shall have no obligation to repair or maintain the Leased Premises or the buildings located thereon or the fixtures and equipment therein, whether structural or non-structural. Lessee waives the benefit of any statute now or hereinafter in effect which would otherwise afford Lessee the right to make repairs at Lessor's expense or to terminate

this Lease because of Lessor's failure to keep the Leased Premises in good order, condition and repair. Lessee has either inspected or has been afforded the opportunity to inspect all of the improvements, fixtures and equipment on the Leased Premises through an engineer of Lessee's choice, and accepts the Leased Premises and fixtures and equipment in their present condition "as is".

Surrender of Leased Premises

7.5 At the expiration or sooner termination of this Lease, Lessee shall return the Leased Premises, fixtures and equipment to Lessor in substantially the same condition in which received (or if altered by Lessor or by Lessee with Lessor's consent, then the Leased Premises, fixtures and equipment shall be returned in such altered condition), reasonable wear and tear and damage by fire or other casualty excepted. Lessee's obligation to perform this covenant shall survive the expiration or termination of this Lease.

ARTICLE VIII
INSURANCE AND INDEMNITY

Indemnification

8.1 Lessor shall not be liable for any injury to any person, or for any loss of or damage to any property (including property of Lessee) occurring in or about the Leased Premises from any cause whatsoever, unless caused by Lessor's sole negligence or willful misconduct. Lessee hereby indemnifies and holds Lessor harmless, and agrees to defend Lessor against all claims, charges, liabilities, obligations, penalties, damages, costs and expenses (including attorneys' fees) arising, claimed, charged or incurred against or by Lessor from any actual or alleged injury to any person or from any actual or alleged loss of or damage to any property caused by or resulting from any act or omission of Lessee or any officer, agent, employee, guest, invitee, or visitor of Lessee in or about the Leased Premises, except as occasioned by the sole negligence or willful misconduct of Lessor or Lessor's agent or employees. Without limiting the foregoing, Lessor and Lessor's agent shall not be liable for theft, or any damage, either to person or property, sustained by Lessee or others, caused by any defects now in the Leased Premises or hereafter occurring, becoming out of repair or caused by fire, or by the bursting or leaking of water, gas, sewer or steam pipes, or from any act or neglect of any persons or due to the happening of any accident from whatsoever cause in or about the Leased Premises.

Liability Insurance

8.2 Lessee shall, during the entire term of this Lease, keep in full force and effect a policy or policies of comprehensive general liability and property damage insurance with respect to the leased property, and the business operated thereon by the Lessee and any subleases or Lessee on the Leased Premises with combined single limit coverage for bodily injury and property damage, in an amount not less than One Million and Five Hundred and No/100 Dollars ($1,500,000.00). Lessor shall be named as one of the insured's and shall be furnished with a certificate of such insurance, which shall bear an endorsement that the same

shall not be canceled except upon not less than twenty (20) days prior written notice to Lessor. The insurance shall be with an insurance company or companies and in a form approved by Lessor which consent will not be unreasonably withheld. A copy of each policy or certificate of insurance shall be delivered to Lessor prior to commencement of the term.

Waiver of Subrogation

8.3 Lessor and Lessee hereby mutually release each other from liability and waive all rights of recovery against each other for any loss in or about the Leased Premises, from perils insured under their respective fire insurance contracts, including any extended coverage endorsements thereof, whether due to negligence or any other cause; provided, that this section shall be inapplicable if it would have the effect, but only to the extent that it would have the effect of invalidating any insurance coverage of Lessor or Lessee. If at any time this waiver of subrogation provision is unacceptable to the insurer of either party, that party shall immediately notify the other party of such information.

ARTICLE IX
ASSIGNMENT AND SUBLETTING

Assignment and Subletting

9.1 Lessee shall not assign or transfer this Lease or any interest therein or sublet the whole or any part of the Leased Premises, nor shall this Lease or any interest therein be assignable or transferable by operation of law or by any process or proceeding of any court, or otherwise, without the prior written consent of Lessor which consent shall not be unreasonably withheld.

ARTICLE X
DESTRUCTION OF LEASED PREMISES

Notice

10.1 In case the improvements on the leased premises are destroyed or damaged by fire, earthquake, or other casualty during the term of this Lease, Lessee shall give Lessor immediate written notice thereof.

Substantial or Partial Destruction

10.2 No Abatement of Rent or Termination by Reason of Damage or Destruction. In the event there is any destruction or damage to the property or the buildings and improvements from any cause whatsoever, the rent shall not be abated.

10.3 Loss or Damages. If at any time during the term of this lease, or any extension thereof, the building or any improvements on the property are damaged or destroyed from any cause whatsoever, Lessee shall promptly restore the building and/or any improvements thereon to their condition prior to their destruction or damage. Fire insurance

proceeds shall be paid to Lessor and Lessor shall pay to Lessee the proceeds thereof from time to time as the rebuilding work progresses for the costs of each rebuilding, repair or restoration. Disbursement shall be made upon written request of Lessee, accompanied by evidence satisfactory to Lessor that the amount requested has been paid or is then due and payable and is properly a part of such costs. In the event the insurance proceeds are not sufficient to completely rebuild the building(s) or improvements, Lessee shall make up any difference.

Provided, however, so long as any leading institution, its successors or assigns or any other party has an interest in the Leased Premises as the beneficiary of a deed of trust, vendor of a real estate contract or otherwise, any policy or policies provided for fire or other casualty insurance which Lessor or Lessee may be obligated to maintain may be deposited with and made payable to said lending institution as beneficiary of a deed of trust or vendor as their interests may appear under a standard mortgagee's clause provided that if there is no default in the payment of said lending institution's note or under the terms of its deed of trust, or payments to any vendor, any loss proceeds paid by the insurer to said lending institution shall thereupon be made available promptly for the repair of restoration of the Leased Premises upon presentation of material and labor bills for work completed, but only in the event the Lessee has confirmed to said lending institution the lease will continue in full force and effect upon completion of such repairs or restoration, which work shall be diligently pursued.

ARTICLE XI
EMINENT DOMAIN

Total Taking

11.1 If all of the Leased Premises are taken by eminent domain, this Lease shall terminate as of the date Lessee is required to vacate the Leased Premises, and all rent shall be paid to that date.

Partial Taking

11.2 If a taking of any part of the Leased Premises by eminent domain renders the Leased Premises unsuitable for the business of Lessee, then this Lease may, at the option of either party, be terminated as of the date when Lessee is required to vacate the portion of the Leased Premises so taken by written notice given to the other party not more than thirty (30) days after Lessor received notice of the taking, and if terminated, all rent shall be paid to the date of termination. Whenever any portion of the Leased Premises shall be taken by eminent domain, and this Lease is not terminated, Lessor shall, at its expense, proceed with all reasonable dispatch to do such work as may be required to restore the structure of the Leased Premises, or what remains thereof, as nearly as may be to the condition they were in immediately prior to such taking, and Lessee shall, at its expense, proceed with all reasonable dispatch to do such work to the fixtures, furniture, furnishings, floor covering and equipment as may be required to restore them as nearly as may be to the same condition they were in immediately prior to such taking. From the date Lessee is required to vacate that portion of

the Leased Premises taken, the minimum rent payable hereunder shall be reduced in the same proportion that the area taken bears to the overall area of the Leased Premises. The Lessor shall be entitled to receive the entire award in the condemnation proceedings. Lessee hereby specifically assigns to Lessor any and all right, title and interest which Lessee now has or may hereafter have in or to any such award or any part thereof, and Lessee shall be entitled to receive no part of such award.

ARTICLE XII
LESSEE'S DEFAULT

Default

12.1 Time is of the essence hereof. The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Lessee.

(a) Failure to Pay Rent. Lessee's failure to make any payment of minimum rent, additional rent, or any other sum to be paid by Lessee hereunder, as and when due, where such failure continues for a period of five (5) business days after written notice thereof by Lessor to Lessee.

(b) Failure to Perform. Lessee's failure to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Lessee (other than described in 12.1(b) above) where such failure continues for a period of ten (10) business days after written notice thereof by Lessor to Lessee.

Remedies

12.2 Following a default or breach by Lessee, without limiting Lessor in the exercise of a right or remedy Lessor may have under this Lease, at law or in equity, Lessor may, at its option, upon written notice to Lessee, declare Lessee's rights under this Lease terminated and re-enter the leased premises using such force as may be necessary and repossess itself thereof as of its former estate and remove all persons and property from the leased premises, and such property may be removed and stored in a public warehouse or elsewhere at the cost of, and for the account of Lessee, all without service of notice or resort to legal process, and without being deemed guilty of any trespass or becoming liable for any loss or damage caused thereby. Lessor may sell such personal property excluding automobiles in a commercially reasonable sale after such personal property has been stored for a period of thirty (30) days or more. Notwithstanding any such re-entry, the liability of Lessee for the rent provided for herein shall not be extinguished for the balance of the term of this Lease, and Lessee shall make good to Lessor any deficiency arising from receipt by Lessor of a lesser rent than provided for herein and from any commission cost of reletting.

Legal Expenses

12.3 If either party is required to bring any action or otherwise refer this Lease to an attorney for the enforcement of any of the covenants, terms and conditions of this Lease,

RSP

the prevailing or non-defaulting party shall, in addition to all other remedies provided herein, receive from the other party all the costs, including a reasonable attorneys' fee, incurred in the enforcement of the covenants, terms and conditions of this Lease (whether or not an action is instituted) and including any such costs and fees incurred by the prevailing party on any appeal.

Waiver

12.4 Neither the acceptance of rent, nor any other act or omission of Lessor at any time or times after the happening of any event authorizing the cancellation or forfeiture of this Lease shall operate as a waiver of any past or future violation, breach, or failure to keep or perform any covenant, agreement, term, or condition hereof or to deprive Lessor of its rights to cancel or forfeit this Lease, upon the written notice provided for herein, at any time that cause for cancellation or forfeiture may exist or be construed so as to at any future time estop Lessor from properly exercising any other option, right, or remedy that it may have under any term or provision of this Lease, at law or in equity.

ARTICLE XIII
ACCESS BY LESSOR AND OTHERS

Right of Entry

13.1 Lessor or Lessor's agents during business hours on forty-eight (48) hours notice shall have the right to enter the Leased Premises at reasonable business hours to examine the same, including fixtures and equipment, and to show them to prospective purchasers or lessees of the building, and to make such repairs, alterations, improvements, or additions as Lessor may deem desirable. If Lessee is not personally present to permit entry and an entry is necessary or permissible, Lessor may enter the same by a master key or may forcibly enter the same, without rendering Lessor liable therefor. Nothing contained herein shall be construed to impose upon Lessor any duty of repair of the building except as otherwise specifically provided for herein. This paragraph does not restrict Lessors right under paragraph 1.2.

Inspections

13.2 Lessee shall permit access to the Leased Premises for all such inspections as may be required by law, and Lessee shall, during the term of this Lease, pay all fees due the city, county, state or federal government on account of any inspection made on said leased premises by any officer or agent of said city, county, state or federal government, which inspections are in relation to the use and occupancy of said premises by the Lessee or the conduct of the business of the Lessee therein.

ARTICLE XIV
SURRENDER OF PREMISES

Surrender of Possession

14.1 Lessee covenants and agrees to promptly yield and deliver to Lessor possession of the Leased Premises, including the fixtures and equipment described above, without notice at the expiration date or at any prior termination date. The Leased Premises, including the above-described fixtures and equipment, shall be in the same condition as when first obtained by Lessee, reasonable wear and tear and damage by insurable risks excepted. Lessee further agrees to remove all of its personal property from said premises, to clean the premises and to deliver to Lessor all keys to the Leased Premises at the expiration of the term or sooner termination date.

Holding Over

14.2 Any holding over by Lessee after the expiration of the term hereof, with Lessor's consent, shall be construed to be a tenancy from month to month at the rent provided for during the final month of the initial term of this Lease, and on all of the terms and conditions set forth, so far as is consistent with such month to month tenancy.

ARTICLE XV
QUIET ENJOYMENT

Lessor's Covenant

15.1 Lessee, upon fully complying with and promptly performing all of the terms, covenants, and conditions of this Lease on its part to be performed, shall have and quietly enjoy the Leased Premises for the term set forth herein.

ARTICLE XVI
MISCELLANEOUS

Notices

17.1 Except as may otherwise be provided herein, any notices required in accordance with any of the provisions herein shall be sent by registered or certified mail addressed to Lessor at 1830 Broadmoor Drive, Seattle, WA 98112, or at such other place as Lessor may in writing direct; and addressed to Lessee at 11961 - 124th Avenue N.E., Kirkland, WA 98034; or at such other place as Lessee may in writing direct.

Successors and Assigns

17.2 All the terms, conditions, covenants and agreements of this Lease shall extend to and be binding upon Lessor, Lessee, and their respective heirs, administrators, executors, successors and assigns, and upon any person or persons coming into ownership or possession

of any interest in the Leased Premises by operation of law or otherwise, and shall be construed as covenants running with the land.

Insolvency

17.3 If Lessee becomes insolvent, voluntarily or involuntarily bankrupt, or if a receiver, assignee or other liquidating officer is appointed for the business of Lessee, then Lessor shall have the right to cancel this Lease.

Entire Agreement

17.4 This Lease and any exhibits or attachments hereto and forming a part hereof set forth the entire agreement of Lessor and Lessee concerning the Leased Premises, and there are no other agreements or understandings, oral or written, between Lessor and Lessee. Any subsequent modification of this Lease shall be binding upon Lessor and Lessee only if reduced to writing and signed by them.

Broker's Commission

17.5 Each of the parties represents and warrants that there are no claims for brokerage commissions or finders fees in connection with the execution of this Lease and each of the parties agrees to indemnify the other against, and hold it harmless from, all liabilities arising from any such claim (including, without limitation, the cost of attorney's fees in connection therewith).

Partial Invalidity

17.6 If any term, covenant or condition of this Lease or the application thereof to any person or circumstances is, to any extent, invalid or unenforceable, the remainder of this Lease, and the application of the term, covenant, or condition to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

Signs

17.7 At the termination of this Lease, all such signs, symbols and advertising matter attached to or painted by Lessee upon the premises with the consent of Lessor, whether on the exterior or interior thereof, shall be removed by Lessee at its own expense. Lessee shall repair any damage or injury to the premises and correct any unsightly condition caused by the maintenance or removal of any such sign.

Subordination/Nondisturbance

17.8 Lessee agrees that this Lease shall be subordinate to any mortgage or trust deed that may be existing or hereafter placed on the real property of which Leased Premise

are a part, and to any and all renewals, replacements and extensions thereof. Any security agreement shall either be subject to the terms and conditions of this Lease and the rights hereunder granted to Lessee, or such security instrument shall be prior to this Lease, provided the Mortgagee gives to Lessee a nondisturbance and attornment agreement. The nondisturbance and attornment agreement shall (i) recognize the lease of Lessee; and (ii) provide in the event of foreclosure or other realization proceedings under the security instrument, the Mortgagee or any successor to Lessor through such realization proceeding, will, as of the date of the Mortgagee or such successor acquires the Lessor's interest in the Leased Premises or otherwise gains control of the Lessor's interest be obligated to Lessee to keep and perform all of the obligations of the Lessor under this Lease, or as amended, provided Lessee is not in default in any condition of the Lease.

Covenants Running With the Land

17.9 All the covenants, agreements, conditions and undertakings in this Lease shall extend and inure to and be binding upon the heirs, executors, administrators, distributees, lessees, successors, and assigns of each of the parties hereto, the same as if they were in every case named and expressed, and same shall be construed as covenants running with the land. Wherever in this Lease reference is made to any of the parties hereto, it shall be held to also include and apply to, whenever applicable, the heirs, executors, administrators, distributees, lessees, successors and assigns of each such party, the same as if in each and every case so expressed.

Absence of Partnership

17.10 Nothing contained in this Lease shall create a partnership or joint venture as between Lessor and Lessee or render Lessor or Lessee in any way responsible for the debts of the other, it being the express intention that the relationship of the parties hereto shall at all times be that of Lessor and Lessee.

Hazardous Substances

17.11 Lessor will hold Lessee harmless from and indemnify and defend Lessee against and from any damage, loss, expense or liability, including any attorneys' fees and costs incurred as a result thereof, resulting from any prior use of the Leased Premises involving "hazardous substances" prior to Lessee's occupation of the Leased Premises. "Hazardous substances" shall be interpreted broadly to mean any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous or toxic or radio active substance, or other similar term by any federal, state or local environmental law, regulation or rule presently in affect or promulgated in the future, as such laws, regulations or rules may be amended from time to time, and it shall be interpreted to include any other substance which after release into the environment and upon exposure, ingestion, inhalation or assimilation, either directly from the environment or directly by ingestion through food or otherwise, will, may or reasonably be anticipated to cause sickness, death, disease, behavior abnormalities, cancer or genetic abnormalities. Likewise, Lessee will hold Lessor harmless from and indemnify and defend Lessor against and from any damage, loss, expense or liability,

including any attorneys' fees and costs incurred as a result thereof, resulting from any use of the Leased Premises involving "hazardous substances" during Lessees occupation of the Leased Premises.

Termination of Lease by Lessor

17.12 Lessor may terminate this lease in the event:

(a) Lessor has a bona fide sale of the leased premises to a person or entity who intends to erect upon the leased premises and adjacent property a major improvement after the demolition of any building(s) on the leased premises. Said major improvement to be a multi-story structure and may include a hotel, a store, a warehouse, or office building.

(b) Lessor undertakes a major improvement on the leased premises in conjunction with adjacent property owners wherein the building(s) on the leased premises are destroyed. A major improvement is as described immediately above. Lessor may qualify as undertaking a major improvement if Lessor is an investor, lessor, limited partner, shareholder, or participates in any other business way wherein the leased premises owned by Lessor are part of the major improvement.

Upon giving the notice of intention to terminate the lease, the term thereof shall cease, be terminated and end at the expiration of one year from the day when such notice has been mailed. After said date the Lessor may take possession of the leased premises, and every part thereof, and have and enjoy the said premises as his former estate, free, clear and discharged of this lease, and of all rights of the Lessee or any assignee hereunder.

Lessor will reimburse Lessee on the termination date of the lease and after Lessee has vacated the leased premises for the amount of any unamortized improvements on the leased premises for improvements made prior to the notice of termination. The dollar amount of unamortized leasehold improvements shall be measured by Lessee's federal income tax return and shall be prorated for any year.

IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year first above set forth.

LESSOR:

Howard K. Anderson

Dorcas A. Anderson

LESSEE:

ENTERPRISE LEASING COMPANY, d/b/a
ENTERPRISE RENT-A-CAR,
a Washington corporation

By _____
Richard C. Goodman, Vice President
and General Manager

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this 6 day of April, 1993, personally appeared before me Howard K. and Doreas Anderson, to me known to be the Lessors, and acknowledged that they acknowledged said instrument as their free and voluntary act and deed, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.

_____
NOTARY PUBLIC in and for the State of Washington, residing at _____
My commission expires August 29, 1993

JUNE MEEHAN
NOTARY PUBLIC
COMMISSION EXPIRES AUGUST 29, 1993
STATE OF WASHINGTON

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this 6 day of April, 1993, personally appeared before me Richard C. Goodman, to me known to be the Vice President and General Manager of Enterprise Leasing Company, d/b/a Enterprise Rent-A-Car, the 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 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.

_____
NOTARY PUBLIC in and for the State of Washington, residing at _____
My commission expires August 29, 1993

JUNE MEEHAN
NOTARY PUBLIC
COMMISSION EXPIRES AUGUST 29, 1993
STATE OF WASHINGTON

Attachment 1

2000 Benson Rd. So., Ste. 250
Renton, WA 98055-4422
425-228-7650

LEASE EXTENSION
BETWEEN
HOWARD & DORCAS ANDERSON
AND
ENTERPRISE RENT-A-CAR

This extension refers to the property at 2116 Westlake Avenue, Seattle, Washington, 98121. Enterprise Rent-A-Car will exercise its lease option beginning ~~January 1, 1999~~ Dec 1 1998 for a term of five (5) years with one (1) five (5) year option to renew.

Rent: Rent will be paid in the same manner as it now stands, the only difference being that Enterprise will pay to Lessor $1,000.00 more per month than the current rent payment.

LESSOR:

Howard Anderson

5-6-98
Date

Dorcas Anderson

5-6-98
Date

LESSEE:

Scott Yaguchi
Vice President / General Manager
Enterprise Rent-A-Car

5/4/98
Date

Attachment 1

12/02/03

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Howard Anderson
1830 Broadmoor Drive
Seattle, WA 98112

Re: **NOTICE OF EXERCISE OF LEASE RENEWAL OPTION**
Enterprise Rent-A-Car
2116 Westlake Ave

Dear Howard Anderson:

The undersigned is a tenant at the above location under that certain Lease dated April 6th, 1993. Pursuant to the terms of the Lease, we hereby exercise our second five (5) year option to renew such that the term of our Lease shall now expire on November 30th, 2008. In addition Lessee, shall be granted one (1) additional five (5) year option.

Rent for the above exercised option shall be as follows:

12/1/2003-11/30/2004	$8,000.00
12/1/2004-11/30/2005	$8,000.00
12/1/2005-11/30/2006	$8,500.00
12/1/2006-11/30/2007	$8,500.00
12/1/2007-11/30/2008	$8,500.00

Rent for the remaining options shall be bound by Article 3.2 of the Lease.

Thank you for the courtesies extended to us during our tenancy and we look forward to a continued successful business relationship.

Very truly yours,

Enterprise Leasing Company A Washington State Corporation, d/b/a Enterprise Rent-A-Car

By: Richard G Thrasher
Name: Richard G Thrasher
Title: Vice President General Manager

DI

Receipt acknowledged this ____ day of _____, 20 __

Howard Anderson

By: _____

Name: HOWARD ANDERSON

Title: PROP.

Attachment 1

LEASE AMENDMENT

This Lease Amendment is entered into the 2nd day of August, 2005 by and between Howard Anderson ("Lessor") and Enterprise Leasing Company, A Washington Corporation ("Lessee").

RECITALS

WHEREAS, Lessor and Lessee entered into a Lease dated April 6th, 1993 for the "Premises" described in the Lease Agreement located at 2116 Westlake Ave, Washington, 98112; and

WHEREAS, Lessor and Lessee wish to agree to modify and amend the Lease.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Lessor and Lessee, and in consideration of the covenants and agreements provided in said Lease, Lessor and Lessee agree as follows:

1. Renewal Option. Lessee shall be granted one (1) additional five (5) year option. This additional option will now grant the Lessee a total of two (2), five (5) year options available for the Lessee to exercise. Such extended terms shall be upon the same terms and conditions as during the term hereof. If Lessee fails to exercise its options within the time period as specified in the Lease, Lessor shall so notify Lessee and Lessee shall have seven (7) business days thereafter within which to exercise the option.

2. Rent. The minimum rent for the premises payable in advance for each month for the renewal options mentioned above, shall be set forth in the Rent schedule below:

Minimum Rent Schedule:

12/1/2008-11/30/2013	$9,350.00
12/1/2013-11/30/2018	$10,285.00

3. Except as expressly modified hereby, all other terms and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed this fourth Addendum as of the day and year first set forth above.

LESSOR

Howard Anderson
Owner

LESSEE
Enterprise Leasing Company, a Washington Corporation

By: _____
Craig Anderson
Regional Vice President

Attachment 1

Enterprise rent-a-car

9840 Willows Rd NE, Suite 202,
Redmond, WA 98052
425 558 3200
425 558 3250 Fax
www.enterprise.com

November 2nd, 2006

Howard Anderson
1830 Broadmoor Dr.
Seattle, WA 98112

RE: Lease dated April 6th, 1993 between Howard Anderson, as Lessor, and Enterprise Leasing Company, a Washinton corporation as Lessee, for the Premises located at 2116 Westlake Ave, Seattle, WA .

Dear Howard:

In accordance with the provisions of the above referenced Lease, this is to confirm the following:

1. Lessor is in receipt of $109,887.05 from Lessee for payment of the South Lake Union Streetcar LID No. 6750 Final Assessement for King County Parcels 0660000485 and 0660000540 which Lessee is responsible for pursuant to section 5.3 of the Lease.

2. If the Lease shall terminate prior to 11/30/18 then Lessor shall refund to Lessee the above amount less the prorated portion for which Lessee has occupied the Premises. Such prorated portion shall be calculated in the following manner:
$109,887.05 multiplied by, the number of months occupied by Lessor from 10/31/06 to the termination date, divided by the total number of months from 10/1/06 to 11/30/18, or 145 months.

If the above accurately reflects your understanding, please sign both enclosed copies below and return one (1) original to my attention.

Sincerely,
Enterprise Leasing Company,
a Washington Corporation
d/b/a Enterprise Rent-A-Car

Vice President

AGREED AND CONSENTED TO:

By:

Date: 11/02/06

Enterprise

March 20th, 2008

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Cornish College of the Arts
1000 Lenora
Seattle, WA 98121
Attn: Vick Clayton

Re: NOTICE OF EXERCISE OF LEASE RENEWAL OPTION
Enterprise Rent-A-Car
2116 Westlake Ave, Seattle, WA 98121

Dear Vicki Clayton:

The undersigned is a tenant at the above location under that certain Lease dated April 6th, 1993. Pursuant to the terms of the Lease, we hereby exercise our third, five (5) year option to renew such that the term of our Lease shall now expire on November 30th, 2013.

While not a condition to the effectiveness of this Notice, we request that you acknowledge receipt of this letter by signing and returning to the undersigned the enclosed counterpart of this letter.

Thank you for the courtesies extended to us during our tenancy and we look forward to a continued successful business relationship.

Very truly yours,

Enterprise Leasing Company, a Washington State Corporation, d/b/a Enterprise Rent-A-Car

By: Richard G. Thrasher
Name: Richard G. Thrasher
Title: Vice President/General Manager

Receipt acknowledged this 24 day of April, 2008

By: _____

Name: _____

Title: _____

Attachment 1
Attachment 3

PARCEL 1:

Lot 2, Block 24, Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's 2nd Addition to the City of Seattle), according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington;
EXCEPT portion thereof condemned in King County Superior Court Cause Number 26118 for Westlake Avenue, as provided by Ordinance Number 7733 of the City of Seattle;

PARCEL 2:

That portion of Lots 3 and 10, Block 24, Plat of the Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased, according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington (commonly known as Heirs of Sarah A. Bell's 2nd Addition to the Town of Seattle), lying easterly of Westlake Avenue as established by Ordinance Number 7733;

PARCEL 3:

Lot 2, Block 24, Second Addition to the Town of Seattle as laid off by Heirs of Sarah A. Bell (commonly known as Heirs of Sarah A. Bell's 2 Addition to the City of Seattle), according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington, EXCEPT portion condemned in King County Superior Court Cause Number 26118 for Westlake Avenue, as provided by Ordinance Number 7733 of the City of Seattle.

Attachment 1

EXHIBIT F

TEMPORARY USE PERMIT
(pages 104-112 of this Agreement)

Attachment 1

TEMPORARY PERMIT AGREEMENT FOR PARKING AND CONSTRUCTION

This TEMPORARY PERMIT AGREEMENT FOR PARKING AND CONSTRUCTION ("Agreement") is made and entered into this _____ day of _____, 2008 ("Effective Date"), by and between CITY OF SEATTLE, a Washington municipal corporation (the "City") and CORNISH COLLEGE OF THE ARTS, a Washington non-profit corporation ("Cornish").

RECITALS

A. The City has purchased from Cornish the real property described in Exhibit A attached hereto (the "City Property").

B. In the future, the City intends to construct and erect improvements and features on the City Property necessary for the City's construction, operation and maintenance of a public park (the "Park Improvements").

C. Cornish is the owner of the real property described on Exhibit B attached hereto (the "Cornish Property").

D. On the Cornish Property, Cornish intends to construct a new building at 2118 Westlake Avenue and remodel an existing building at 2101 9th Avenue (the "Cornish Improvements").

E. As of the date hereof, the City Property and the Cornish Property are encumbered by that certain Commercial Lease dated April 6, 1993 as amended by letter dated May 6, 1998, as amended by letter dated December 2, 2003 and lease amendment dated August 2, 2005 by and between Howard K. Anderson and Dorcas Anderson, as landlord, and Enterprise Leasing Company dba Enterprise Rent-A-Car ("Enterprise") as tenant, as amended by letter dated November 2, 2006 between Charles Anderson, as landlord, and Enterprise, and amended by letter dated March 20, 2008 by Cornish College of the Arts, as landlord, and Enterprise (the "Enterprise Lease").

F. As a condition of Cornish's sale of the City Property to the City, the City agreed to permit Cornish to use the City Property on the terms and conditions set forth in this Agreement.

AGREEMENT

1. Grant of Permits. The permits described in this Section 1 may each be referred to as a "Permit" and are collectively referred to as the "Permits".

a. Parking Permit. The City hereby grants to and for the benefit of Cornish a temporary permit, over and across the City Property for the purpose of parking motor vehicles on the surface of the City Property and on the first below-grade parking level of the City Property for Cornish's officers, agents, contractors, employees and invitees (the "Temporary Parking Permit"). Commercial parking is not permitted.

b. Temporary Construction Permit. The City hereby grants to and for the benefit of Cornish a temporary permit upon, over and across the City Property for the purposes of staging, storing and laying down construction materials, equipment and supplies to be used by Cornish and its contractors in connection with building and erecting the Cornish Improvements (the "Temporary Construction Permit"); *provided* that the Temporary Construction Permit shall be conditioned upon requirements that: (1) Cornish's design and installation techniques utilized in connection with construction of the Cornish Improvements shall be calculated to reasonably protect against personal injury and property damage and (2) all persons performing services on behalf of Cornish in connection with the construction of the Cornish Improvements shall provide reasonable protection against personal injury and property damage and shall comply with the terms of this Agreement.

c. Crane Sweep Permit. The City hereby grants to and for the benefit of Cornish a temporary permit to allow Cornish and its contractors, subcontractors and agents to swing a crane through the airspace above the City Property at a safe distance above any facilities or improvements located thereon in connection with construction of the Cornish Improvements (the "Temporary Crane Sweep Permit").

2. Use and Maintenance of City Property.

a. Use of City Property. Cornish agrees to use the City Property in a safe and reasonable manner so as to minimize disruption to the City Property and in compliance with all governmental laws and regulations with respect to any and all activities conducted by Cornish upon the City Property pursuant to this Agreement. Under the Temporary Parking Permit, Cornish shall have the right to use the surface area and the first below-grade parking level of the City Property for parking in a manner consistent with this Agreement. Parking shall be for the non-commercial parking of vehicles upon the City Property by invitees of Cornish or the Cornish Property. Cornish shall use the Temporary Construction Permit and the Temporary Crane Sweep Permit for building and installing the Cornish Improvements at its own expense and storing and staging construction materials, equipment and supplies in connection therewith. To provide structural support for the Cornish Improvements, Cornish may install temporary tie-backs (de-tensioned tie-backs may remain in place upon the City Property notwithstanding

the termination of this Agreement, provided that in such event Cornish shall deliver to the City an accurate as-built plan of their depths and locations). Cornish shall construct the Cornish Improvements in a careful, workmanlike manner and free of claims or liens upon the City Property.

b. Maintenance of and Responsibility for City Property. While the Permits are in effect, Cornish shall maintain the City Property (including the first below-grade parking level) in a good, safe condition in compliance with all applicable governmental laws and regulations. Cornish's maintenance obligations under this paragraph shall include the duty to generally keep the City Property free from trash, debris and graffiti. Cornish shall also be responsible for providing adequate security, particularly night time security, and for prohibiting and taking reasonable actions to prevent unlawful use of the City Property.

3. Term of Permits.

a. Commencement of Permits. The Permits shall commence upon Enterprise vacating the City Property.

b. Termination of Permits. The Permits shall terminate upon the earlier to occur of the following events: (i) Cornish's delivery to the City of written notice of termination; or (ii) the date which is thirty (30) days after the date on which the City delivers written notice of termination to Cornish, *provided*: (a) the City shall not deliver such notice if Cornish is in compliance with the terms and conditions of this Agreement, has previously commenced construction of the Cornish Improvements, is diligently prosecuting completion of the Cornish Improvements and the Cornish Improvements are not yet substantially complete, (b) the City shall not deliver such notice if Cornish is in compliance with the terms and conditions of this Agreement and the City is not yet fully prepared and intends to use the City Property for park purposes, and (c) in no event shall the City deliver such notice earlier than twenty-four (24) months after the termination of the Enterprise Lease unless Cornish is not in compliance with the terms and conditions of this Agreement.

4. No Vested Rights; Non-Assignable. The Permits are wholly of a temporary nature, vest no permanent rights to Cornish whatsoever, are granted to Cornish only and cannot be transferred.

5. Permit Fee. Upon Enterprise vacating the City Property and so long as the Permits have not been terminated in accordance with Section 3(b), Cornish shall pay to the City, as consideration for the Permits, monthly payments in an amount determined by multiplying the gross rents that would have been payable by Enterprise under the Enterprise Lease during such month by a fraction having a numerator equal to the square footage of the City Property and a denominator equal to the square footage of the Premises (the "Permit

Fee"). Cornish shall pay the Permit Fee in advance in monthly installments until the Permits are terminated pursuant to Section 3(b) and, in the event of such termination, Cornish shall be entitled to a pro-rated refund of any prepaid Permit Fee.

6. Deduction from Permit Fee for Maintenance and Security. Prior to commencement of construction of the Cornish Improvements, and effective upon substantial completion of the Cornish Improvements as evidenced by the certificate of occupancy issued in connection therewith, Cornish shall be entitled to deduct from the Permit Fee its actual and reasonable costs of maintaining the City Property (including, without limitation, keeping the City Property free from trash, debris and graffiti) and providing reasonable security, particularly night time security, for the City Property, consistent with Section 2(b), until such time as the Permits are terminated; provided that in no event shall the City owe any payment to Cornish for maintenance and security.

7. Restoration of City Property. In the event any portion of the City Property is disturbed by the activities of Cornish, its employees, invitees, or its contractors or agents relating to, or arising from, the exercise of any of Cornish's rights under this Agreement, Cornish shall promptly restore the City Property to the condition in which it existed at the commencement of such activities.

8. Rights Retained by City. Notwithstanding the Permits, the City shall retain the right to use the City Property during the term of this Agreement for purposes not inconsistent with this Agreement and provided such use does not unreasonably interfere with Cornish's rights hereunder.

9. Indemnity. Cornish shall indemnify, defend and hold the City and its beneficiaries, agents, employees and contractors, individually and collectively harmless from and against any and all losses, damages, fines, penalties, liens, liabilities and expenses resulting from any actual or alleged injury to any person or any actual or alleged loss of or damage to any property arising from use of the City Property or the Permits by Cornish, its employees, invitees, or any agent, contractor or other person performing services on behalf of Cornish in connection with construction of the Cornish Improvements. In the event that any suit based upon such losses, damages, fines, penalties, liens, liabilities or expenses is brought against the City, Cornish shall (at the election of the City) defend the same at its sole cost and expense. If final judgment is adverse to the City or the City and Cornish jointly, Cornish shall promptly satisfy the same, to the extent of Cornish's indemnity obligations hereunder.

10. Insurance. Cornish shall maintain, and shall cause its contractors to maintain, Commercial General Liability insurance under which the City of Seattle shall be included as an additional insured for primary and non-contributory limits of liability. The minimum limits of liability of such insurance shall be $2,000,000 each occurrence combined single limit bodily injury and property damage. Cornish shall provide certification of insurance on or before the Effective Date and shall cause its contractors to

provide certification of insurance prior to commencement of any work on the Cornish Improvements. Certification shall: (a) be issued to "The City of Seattle, Risk Management Division, P.O. Box 94669, Seattle, WA 98124-4669,"(b) delivered electronically by fax to (206)470-1270 or as an email attachment to riskmanagement@seattle.gov, (c) reference "Temporary Permit For Parking And Construction by and between the City of Seattle and Cornish College of The Arts, and (d) include an actual copy of the additional insured provision of the insurance policy that documents that the City of Seattle is an additional insured for primary and non-contributory limits of liability. If any contractor constructing or working on the Cornish Improvements fails to comply with the foregoing requirements relating to insurance, the City, at its option, may require the contractor to cease construction activity until such insurance is obtained.

11. Liens And Encumbrances. Cornish shall keep the City Property free and clear of any liens and encumbrances arising out of the use or occupancy of the City Property by Cornish, its agents and contractors. At the City's request, Cornish shall furnish the City with written proof of payment of any item which, if not paid, would or might constitute the basis for such a lien on the City Property.

12. Hazardous Substances. Cornish shall not allow the use or storage of any hazardous, dangerous or toxic substances or material (including but not limited to petroleum products, greases and illegal pesticides) on the City Property except in full compliance with applicable law. Cornish shall be responsible for complying with all federal, state and local laws and regulations in regard to the handling and disposing of hazardous, dangerous or toxic substances or material that Cornish, its employees, agents or contractors brings onto or uses on the City Property. In no instance shall Cornish allow the release or disposal of any hazardous, dangerous or toxic substances or material on the City Property.

13. Other Permits / Approvals / Regulations. Cornish shall obtain all necessary permits and approvals required by applicable State and City laws, ordinances, rules and regulations to perform any work on the City Property.

14. Representation and Warranty. Each party represents and warrants that it has full power and authority to enter into this Agreement without the consent of any other person or entity and that the person signing this Agreement on its behalf is duly authorized to do so.

15. Enforcement; Remedies. This Agreement is enforceable only by the City and Cornish and there are no intended third party beneficiaries of this Agreement. In addition to such other remedies as may be available at law or equity, the parties shall be entitled to specific performance of this Agreement.

16. Notice. Any notice permitted or required to be given by either party to this Agreement shall be given in writing and may be effected by certified United States mail, with return receipt requested, properly addressed, postage prepaid, by reputable overnight delivery service, or by personal delivery, as follows:

If to Cornish:	Cornish College of the Arts 1000 Lenora Street Seattle, WA 98121 Attn: Jeff Riddell, Chief Financial Officer
If to the City :	Seattle Department of Parks and Recreation 800 Maynard Avenue South, 3rd Flr. Seattle, WA 98134 Attn: Lise Ward

17. Governing Law. This Agreement shall be construed in accordance with the laws of the State of Washington.

18. Modification. This Agreement may be amended or modified only by written instrument, executed and acknowledged by the parties hereto.

19. Headings. The headings used herein are for convenience only and are not to be used in interpreting this Agreement.

20. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed the original and which together shall constitute one and the same instrument.

If to Cornish:	Cornish College of the Arts 1000 Lenora Street Seattle, WA 98121 Attn: Jeff Riddell, Chief Financial Officer
If to the City :	Seattle Department of Parks and Recreation 800 Maynard Avenue South, 3rd Flr. Seattle, WA 98134 Attn: Lise Ward

or to such other address or to such other person's attention of which notice was given in accordance with this section. Notice shall be deemed effective upon receipt in the case of

personal delivery or delivery by overnight courier and two (2) days after being properly deposited in the United States mail as described above.

IN WITNESS WHEREOF, the parties execute this Agreement as of the Effective Date.

"CORNISH"

Cornish College of the Arts,
a Washington non-profit corporation

By: _____
Sergei Tschernisch
President

By: _____
Jeff Riddell
Chief Financial Officer

"CITY"

The City of Seattle,
a Washington municipal corporation

By: _____
Timothy A. Gallagher
Superintendent of Parks and Recreation

Attachment 1

Exhibit A

THE CITY PROPERTY

That portion of Lots 1, 2, and 3, Block 24, Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's 2nd Addition to the City of Seattle), according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington, lying easterly of and excepting therefrom that portion condemned in King County Superior Court Cause Number 36118 for Westlake Avenue, as provided by Ordinance Number 7733 of the City of Seattle.

Attachment 1

Exhibit B

THE CORNISH PROPERTY

Lots 11 and 12, Block 24, Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's 2nd Addition to the City of Seattle), according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington.

And

That portion of Lot 10, Block 24, Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's 2nd Addition to the City of Seattle), according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington, lying easterly of and excepting therefrom that portion condemned in King County Superior Court Cause Number 36118 for Westlake Avenue, as provided by Ordinance Number 7733 of the City of Seattle.

Form revised February 6, 2008

FISCAL NOTE FOR CAPITAL PROJECTS ONLY

Department:	Contact Person/Phone:	DOF Analyst/Phone:
Parks and Recreation	Donald Harris/4-8018	Jennifer Devore/5-1328

Legislation Title: AN ORDINANCE relating to the Neighborhood Parks, Green Spaces, Trails, and Zoo Levy; authorizing the acquisition of real property commonly known as 2100 Westlake Avenue; authorizing acceptance of the deed for open space, park, and recreation purposes; increasing appropriations to the Department of Parks and Recreation in the 2008 Budget; all by a three-fourths vote of the City Council.

Summary and background of the Legislation:

This proposed legislation would authorize the Department of Parks and Recreation (DPR) to acquire real property located at 2100 Westlake Avenue (in the Denny Triangle), appropriate funds, and accept the deed to the property for open space, park, and recreation purposes.

The Neighborhood Parks, Green Spaces, Trails, and Zoo Levy (2000 Parks Levy) provides funds for the acquisition of new neighborhood parks and green spaces. The 2000 Parks Levy program includes an Acquisition and Development Opportunity Fund (Opportunity Fund), making available up to $10 million to fund acquisition and development projects not identified for funding in the remainder of the Levy program. The 2000 Parks Levy established a Parks and Green Spaces Levy Oversight Committee (Oversight Committee), with responsibilities to include adopting evaluation criteria and recommending Opportunity Fund awards to the Superintendent, Mayor and City Council.

In 2001-2002, the Oversight Committee conducted an extensive public process regarding acquisition and development projects to be funded in the first cycle of the Opportunity Fund. In 2002, the Oversight Committee recommended a cumulative Opportunity Fund award of $3 million to support the purchase of yet-to-be identified properties in the following Urban Center Villages: Pioneer Square/International District, Denny Triangle, and the University District. Ordinance 120869 authorized the Superintendent of Parks and Recreation to identify, evaluate, and recommend parcels for acquisition in the Urban Center Villages recommended by the Oversight Committee.

The Denny Triangle Neighborhood Plan (Plan) advocated for purchase of property near Convention Place Station in concert with its conversion to Transit-Oriented Development. The Plan assumed funding would come from a development bonus system. The Convention Place project did not come to fruition, the development bonus system was changed to favor affordable housing, and land prices in the Denny Triangle continued to climb. DPR began a concerted effort to establish relationships with property owners and developers in the area with the hope that a joint development or partnership could be created that would result in the creation of a public park of benefit to the entire neighborhood.

2008 CITY CLERK

DPR was in the process of researching sites and opportunities at the time Cornish College of the Arts (Cornish) was relocating its facilities from Capitol Hill to the Denny Triangle. DPR is proposing to acquire a site from Cornish which is part of a larger parcel recently acquired by Cornish for its future multi-disciplinary theater at Westlake, 9th and Lenora. The site is on the Seattle Streetcar line, is consistent with the Center City urban design strategy, and would add to the revitalization of Westlake Avenue as a pedestrian green street. Additionally, locating a public open space adjacent to Cornish's campus has benefits for the City, both in terms of programming and "eyes on the park."

The site is currently occupied by a tenant, Enterprise Rent-A-Car, with a lease that expires 11/20/2013, with an option for a five year extension to 2018. Cornish can terminate the lease with a year's notice when it undertakes a development project on its adjoining land. It is unknown at this time when Cornish will terminate the lease. Cornish will have temporary use of the site, under a permit agreement and in consideration of a permit fee, for non-commercial parking, construction staging, and crane sweeping. Cornish will be responsible for maintaining the property during those times.

Project Name:	**Project I.D.**	**Project Location:**	**Start Date:**	**End Date**
2000 Parks Levy - Opportunity Fund Acquisitions	K733175	Citywide	August 2002	December 2008

- *Please check any of the following that apply:*

____ **This legislation creates, funds, or anticipates a new CIP Project.**

____ **This legislation does not have any financial implications.**

X **This legislation has financial implications.** *(Please complete all relevant sections that follow.)*

CITY CLERK

Appropriations:

Fund Name and Number	Department	Budget Control Level*	2008 Appropriation	2009 Anticipated Appropriation
2000 Parks Levy Fund (33850)	Parks and Recreation	2000 Parks Levy – Acquisitions Opportunity Fund (K723007)	$2,516,190	$0
TOTAL			**$2,516,190**	**$0**

**See budget book to obtain the appropriate Budget Control Level for your department.*

Notes: The budget for the acquisition is $2,915,000. The actual purchase price of the property is $2,750,000. The remaining budget of $165,000 will pay for related costs and expenses associated with property acquisition, including, but not limited to title, appraisal, closing costs, survey, environmental assessment and remediation, negotiation, due diligence, feasibility studies and grant administration.

The funding for $2,915,000 in acquisition costs comes from three sources: Pro Parks Levy proceeds; King County Conservation Futures Taxes (CFT) and the Denny Triangle Amenity Fund. DPR has previous appropriation of $105,877 in the 2000 Parks Levy Fund. This legislation adds $2,516,190 in appropriation from the 2000 Parks Levy Fund, of which $1,450,000 will be reimbursed by two CFT grants: $950,000 awarded in 2003 and $500,000 recommended by the CFT Citizen's Oversight Committee in 2008. In addition to these funds, Seattle Department of Transportation (SDOT) has approved allocating $292,933 of funding from the Denny Triangle Amenity Fund 33910 to this acquisition project. The funding from the Denny Triangle Amenity Fund was appropriated in SDOT's budget in Ordinance 122301.

Spending Plan and Future Appropriations for Capital Projects:

Spending Plan and Budget	2008	2009	2010	2011	2012	2013	Total
Spending Plan	$2,827,452						**$2,827,452**
Current Year Appropriation	$2,516,190						**$2,516,190**
Future Appropriations		$0	$0	$0	$0	$0	**$0**

Notes: Previous expenses of $87,548 were incurred prior to 2008, bringing the total project budget to $2,915,000. Previous appropriations consist of $105,877 in the 2000 Parks Levy Fund, and $292,933 in the Denny Triangle Amenity Fund in 2006 (authorized by Ordinance 122301 and appropriated by SDOT). Current year appropriation consists of $2,516,190 from the 2000 Parks Levy Fund, bringing the total appropriation for this project to $2,915,000.

2008 CITY CLERK

Funding source:

Funding Source (Fund Name and Number, if applicable)	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**Total**
2000 Parks Levy Fund (33850)	$1,172,067	$0	$0	$0	$0	$0	$1,172,067
2000 Parks Levy Fund (33850) – CFT grants	$1,450,000	$0	$0	$0	$0	$0	$1,450,000
Denny Triangle Amenity Fund (33910)	$ 292,933	$0	$0	$0	$0	$0	$ 292,933
TOTAL	**$2,915,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$2,915,000**

Notes:
The funding source for the anticipated total expense of $2,915,000 associated with the acquisition is the 2000 Parks Levy Fund (33850) and the Denny Triangle Amenity Fund (33910). The 2000 Parks Levy Fund will be reimbursed up to $1.45 million from King County CFT grants.

Bond Financing Required:

Type	**Amount**	**Assumed Interest Rate**	**Term**	**Timing**	**Expected Annual Debt Service/Payment**
TOTAL	N/A				

Uses and Sources for Operation and Maintenance Costs for the Project:

O&M	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**Total**
Uses							
Start Up	N/A	N/A	N/A	N/A	N/A	N/A	N/A
On-going	N/A	N/A	N/A	$500	$500	$500	$1,500
Sources (itemize)							
Park and Recreation Fund (10200)	**N/A**	**N/A**	**N/A**	**$500**	**$500**	**$500**	**$1,500**

Notes:
O&M costs are not applicable at this time and will not come into effect (save for the special district charges assessed on the property and payable by the City of Seattle (City) after Enterprise Rent-A-Car vacates the site) until the Cornish completes construction of its multi-disciplinary theater and the City is ready to construct its park improvements.

DNS CITY CLERK

Periodic Major Maintenance costs for the project:

Major Maintenance Item	Frequency	Cost	Likely Funding Source
TOTAL	N/A		

Funding sources for replacement of project: As real property, this acquisition will not be subject to replacement.

Total Regular Positions Created, Modified, Or Abrogated Through This Legislation, Including FTE Impact:

Position Title and Department*	Position # for Existing Positions	Fund Name & #	PT/FT	2008 Positions	2008 FTE	2009 Positions **	2009 FTE **
TOTAL	N/A						

- **Do positions sunset in the future?** Not applicable.

- **What is the financial cost of not implementing the legislation:** Achievement of one of the goals of the Acquisition category of the 2000 Parks Levy Ordinance (120024), which is acquiring real property for development of new parks using funding from the Opportunity Fund subcategory for this area, would be delayed. This delay and further staff cost to meet this goal with another effort would consume additional and unanticipated resources from the 2000 Parks Levy Fund.

- **What are the possible alternatives to the legislation that could achieve the same or similar objectives:** DPR could try to find another opportunity like this in the same area, but this would require spending additional resources and would delay the area acquisition goal as mentioned in the 2000 Parks Levy. City Council approval is required for authorization to acquire and accept a deed for real property.

- **Is the legislation subject to public hearing requirements:** No.

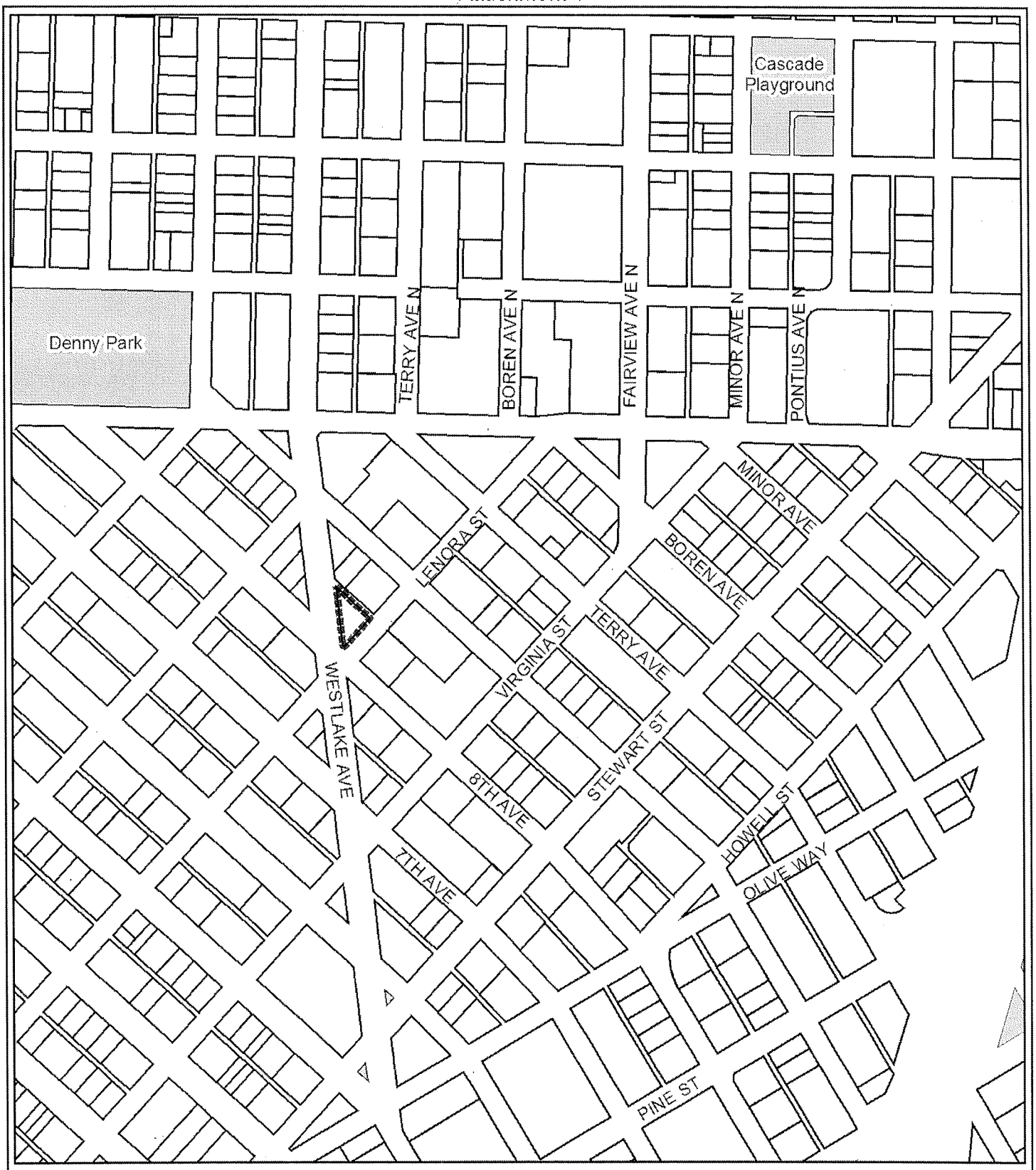
- **Other Issues:** None.

Please list attachments to the fiscal note below:

Attachment 1: Denny Triangle Acquisition (map)

2008 CITY CLERK

Attachment 1



Denny Triangle Park Acquisition

SEATTLE PARKS AND RECREATION

Legend
- Denny Triangle Acquisition
- Park Boundary
- Parcel Boundary

0 200 400 600
Feet
1 inch equals 400 feet

N W E S

©2008, CITY OF SEATTLE
All rights reserved.

No warranties of any sort including accuracy, fitness or merchantability accompany this product

Map date: June 24, 2008

CITY CLERK

City of Seattle

Gregory J. Nickels, Mayor

Office of the Mayor

August 19, 2008

Honorable Richard Conlin
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Conlin:

I am pleased to transmit the attached proposed Council Bill that authorizes the acquisition of an 8,722 square foot property located in the Denny Triangle neighborhood at 2100 Westlake Avenue. The property is currently owned by Cornish College of the Arts.

The 2000 Pro Parks Levy Oversight Committee unanimously recommended using the Levy's Opportunity Fund to purchase park property in the Denny Triangle Urban Center. The property acquisition authorized by this legislation will help meet the City's goal of providing parks within walking distance for residents in and around our urban villages. Locating a public park near the Cornish College campus has benefits for the City, both in terms of programming and "eyes on the park." The frontage on the Westlake corridor supports the Center City urban design strategy and has the added advantage of being on the South Lake Union Streetcar line. The development of the park in conjunction with improvements to Lenora Street as a "Green Street" will further add to the benefits of this new park to the Denny Triangle neighborhood.

We are fortunate to have an opportunity to purchase this property for future development as a park that will serve the Denny Triangle neighborhood. Funding for this acquisition will come from the Pro Parks Levy proceeds, King County Conservation Futures Tax, and the City's Denny Triangle Amenity Fund. Thank you for your consideration of this legislation. Should you have questions, please contact Donald Harris at 684-8018.

Sincerely,

GREG NICKELS
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

600 Fourth Avenue, 7th Floor, P.O. Box 94749, Seattle, WA 98124-4749
Tel: (206) 684-4000, TDD: (206) 615-0476 Fax: (206) 684-5360, Email: mayors.office@seattle.gov
An equal employment opportunity, affirmative action employer. Accommodations for people with disabilities provided upon request.

CITY CLERK

ORDINANCE _____

AN ORDINANCE relating to the Neighborhood Parks, Green Spaces, Trails, and Zoo Levy; authorizing the acquisition of real property commonly known as 2100 Westlake Avenue; authorizing acceptance of the deed for open space, park, and recreation purposes; increasing appropriations to the Department of Parks and Recreation in the 2008 Budget; all by a three-fourths vote of the City Council.

WHEREAS, Ordinance 120024 proposed the Neighborhood Parks, Green Spaces, Trails, and Zoo Levy ("2000 Parks Levy") to provide funding for, among other things, property acquisitions identified by neighborhood and community groups; and

WHEREAS, the voters of Seattle approved the 2000 Parks Levy on November 7, 2000; and

WHEREAS, the 2000 Parks Levy program includes an Acquisition and Development Opportunity Fund ("Opportunity Fund"), making available up to Ten Million Dollars ($10,000,000) to fund acquisition and development projects not identified for funding in the remainder of the program; and

WHEREAS, Ordinance 120024 established a Parks and Green Spaces Levy Oversight Committee ("Oversight Committee"), with responsibilities to include adopting evaluation criteria and recommending Opportunity Fund awards to the Superintendent, Mayor, and City Council; and

WHEREAS, the Oversight Committee conducted an extensive public process regarding acquisition and development projects to be funded in the first cycle of the Opportunity Fund; and

WHEREAS, the Oversight Committee recommended the allocation of Six Million Dollars ($6,000,000) for the Opportunity Fund's first funding cycle, including Five Million Dollars ($5,000,000) for acquisition projects and One Million Dollars ($1,000,000) for development projects; and

WHEREAS, the Oversight Committee recommended first cycle-awards for property acquisitions in multiple locations, including the Denny Triangle; and

WHEREAS, Ordinance 120869 accepted the recommendations of the Oversight Committee and authorized the Superintendent of Parks and Recreation to conduct planning activities of any or all of the parcels recommended by the Oversight Committee, including the Denny Triangle; and

CITY CLERK

WHEREAS, Ordinance 121775 authorized the City to deposit collections of 2003 King County Conservation Futures Levy proceeds into the 2000 Parks Levy Fund, including an allocation for land acquisition in the Denny Triangle Urban Village; and

WHEREAS, the King County Conservation Futures Citizen's Oversight Committee has recommended an additional allocation of 2009 King County Conservation Futures Levy proceeds be directed to land acquisition in the Denny Triangle Urban Village subject to the approval of an amendment to an existing interlocal agreement between both the King County and the City of Seattle; and

WHEREAS, Ordinance 119729 created the Denny Triangle Amenity Fund to enable the use of real estate developer payments associated with the Transfer of Development Credit Program to finance the provision of public open space, improvements to existing open space, and development of designated green streets within the Denny Triangle Urban Village and Ordinance 122301 appropriated the referenced payments; and

WHEREAS, the acquisition of real property commonly known as 2100 Westlake Avenue meets the criteria for expenditures from the Denny Triangle Amenity Fund;

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The Superintendent of Parks and Recreation ("Superintendent"), or his designee, is authorized, on behalf of the City of Seattle, to acquire substantially in accordance with the terms of the Real Estate Purchase and Sale Agreement attached hereto as Attachment 1 ("Agreement") the following described real property ("Property"):

That portion of Lots 1, 2, and 3, Block 24, Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's 2nd Addition to the City of Seattle), according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington, lying easterly of and excepting thereof that portion condemned in King County Superior Court Cause Number 36118 for Westlake Avenue, as provided by Ordinance Number 7733 of the City of Seattle.

CITY CLERK

Section 2. The Superintendent or his designee is authorized to execute such documents as he deems necessary or desirable to accomplish acquisition of the Property, including, without limitation, such consents, approvals, extensions of time and minor amendments of the Agreement as he shall deem appropriate to carry out the intent of this ordinance. Upon delivery of the statutory warranty deed for the Property, the Superintendent or his designee is authorized to accept the deed on behalf of the City of Seattle by attaching to the deed his written acceptance thereof, and to record the same. The Property shall be accepted for open space, park, and recreation purposes, and placed under the jurisdiction of the Department of Parks and Recreation.

Section 3. To pay for the Property and for necessary related costs and expenses, the appropriation for the following in the 2008 Adopted Budget is increased from the fund shown, as follows:

Fund	**Department**	**Capital Improvement Program: Program (Number)**	**Amount**
2000 Parks Levy Fund (33850)	Parks and Recreation	2000 Parks Levy - Opportunity Fund - Acquisition (K723007)	$2,516,190

DPS CITY CLERK

Section 4. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by a three-fourths (3/4) vote of all the members of the City Council the ____ day of _____, 2008, and signed by me in open session in authentication of its passage this _____ day of _____, 2008.

_____
President _____of the City Council

Approved by me this _____ day of _____, 2008.

_____
Gregory J. Nickels, Mayor

Filed by me this ____ day of _____, 2008.

_____
City Clerk

(Seal)

Attachment 1: Real Estate Purchase and Sale Agreement

CITY CLERK

Attachment 1

AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY

THIS AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY (this "***Agreement***") is made by and between CORNISH COLLEGE OF THE ARTS, a Washington non-profit corporation ("***Seller***"), and THE CITY OF SEATTLE, a Washington municipal corporation ("***Buyer***"). This Agreement is made effective as of the date it has been executed by both Seller and Buyer (the "***Effective Date***").

In consideration of the terms and conditions of this Agreement, and the mutual covenants herein contained, Seller and Buyer hereby agree as follows:

1. Property. The "***Property***" subject to this Agreement consists of all of the following:

(a) That certain real property with a street address of 2100 Westlake Avenue located in Seattle, Washington and more particularly described in Exhibit A attached together with all buildings, structures and other permanent improvements thereon (the "***Real Property***").

(b) All rights, privileges and easements appurtenant to the Real Property, including without limitation all minerals, oil, gas and other hydrocarbon substances on the Land, all development rights, air rights, and any and all appurtenances used in connection with the beneficial use and enjoyment of the Real Property.

2. Purchase Price; Payment. Subject to the provisions of this Agreement, Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller the Property for an aggregate price of **Two Million Seven Hundred Fifty Thousand and NO/100 Dollars (U.S. $2,750,000.00)** (the "***Purchase Price***").

2.1 Deposit. No later than 5 business days after mutual execution of this Agreement, Buyer will open an escrow account with Pacific Northwest Title Company of Washington, Inc., 215 Columbia Street, Seattle, Washington 98104 (referred to hereafter as "***Escrow Agent***" or "***Title Company***") and shall deliver to Escrow Agent a deposit of Five Thousand and NO/100 Dollars ($5,000.00) (the "***Deposit***") together with a fully executed copy of this Agreement. Escrow Agent shall place the Deposit in an interest-bearing account. Buyer shall be entitled to all interest accrued on the Deposit. At Closing (defined below), Escrow Agent shall apply the Deposit, together with the interested accrued thereon (if any) to the Purchase Price.

2.2 Payment of Remainder of Purchase Price. The balance of the Purchase Price shall be paid in cash, certified funds or other good funds at Closing.

2015 CITY CLERK

3. Conveyance; Title Insurance.

3.1 Conveyance. At Closing, Seller shall convey the Property to Buyer by bargain and sale deed ("***Deed***"), free and clear of any and all liens, encumbrances, defects, easements, conditions, and restrictions except that certain Commercial Lease between Howard K. Anderson and Dorcas Anderson, as lessor, and Enterprise Leasing Company d/b/a/ Enterprise Rent-A-Car ("***Enterprise***"), as lessee, a true and correct copy of which is attached hereto as Exhibit B (the "***Enterprise Lease***"), those matters listed on Exhibit C and such other matters as may be accepted in writing by Buyer prior to Closing (collectively, the "***Permitted Exceptions***"). Also at Closing, Seller shall assign a partial lessor's interest in the Enterprise Lease to Buyer by a partial assignment of lease, in the form attached hereto as Exhibit D and incorporated herein (the "***Partial Assignment of Lease***").

3.2 Title Insurance. Buyer's title to the Property shall be insured under an ALTA extended coverage owner's policy of title insurance issued pursuant to the preliminary commitment for title insurance from the Title Company, No. 590369, dated April 8, 2005 and July 30, 2007 and all supplements thereto (the "***Title Report***"). At its sole cost and expense (if required by the Title Company to issue an extended coverage owner's ALTA title insurance policy) Buyer shall obtain an update to the Title Report and a survey of the Property. Seller shall satisfy all requirements reasonably requested of Seller by the Title Company in connection with issuance of an extended coverage owner's ALTA title insurance policy insuring Buyer's title to the Property in the amount of the Purchase Price subject only to the printed exclusions, the general exceptions appearing in the policy form and the Permitted Exceptions.

4. Conditions Precedent; Feasibility Period.

4.1. Buyer Conditions. The obligations of Buyer under this Agreement are subject to the satisfaction or waiver of the following conditions, which are for the benefit of Buyer and may be satisfied or waived only in writing by Buyer. If any of the following conditions has not been satisfied or waived in writing on or before Closing (or such earlier date as provided elsewhere in this Agreement), then this Agreement shall terminate upon Buyer's written notice to Seller, Buyer shall be entitled to return of the Deposit together with the interest accrued thereon (if any) and the parties shall have no further obligations to one another except those which expressly survive Closing or earlier termination of this Agreement.

4.1.1 Representations, Warranties and Covenants of Seller. Seller's representations and warranties in this Agreement shall be true and correct as of Closing.

4.1.2 No Material Adverse Changes. As of Closing, there shall have been no material adverse change in the physical condition of the Property from the date of this Agreement.

4.1.3 No Seller Bankruptcy. At no time prior to Closing, (i) shall there be filed by or against Seller a petition in bankruptcy or insolvency or a petition seeking to effect any plan or other arrangement with creditors or seeking the appointment of a receiver and that is not discharged or dismissed before Closing; (ii) shall there have been a receiver or liquidator appointed for all or substantially all of Seller's property; or (iii) shall Seller have made an assignment for the benefit of creditors or taken any other similar action for the benefit or protection of creditors.

4.1.4 Ordinance. On or before Closing, an ordinance shall be in effect authorizing Buyer to engage in the transaction contemplated by this Agreement and appropriating funds to complete this transaction. Buyer covenants to cooperate in the performance of all actions necessary to effect the passage of such ordinance.

4.1.5 Title Insurance. On the date of Closing, Title Company shall be irrevocably committed to issuing to Buyer an extended coverage owner's ALTA title insurance policy (or a standard coverage owner's title insurance policy, at Buyer's sole election), dated as of the date of Closing and insuring Buyer in the amount of the Purchase Price against loss or damage by reason of defect in Buyer's title to the Property, subject only to the printed exclusions and general exceptions appearing in the policy form and the Permitted Exceptions.

4.1.6 Tenant Certificate. On or before July 30, 2008, Seller shall have delivered to Buyer an estoppel certificate signed by the authorized representative(s) of Enterprise Leasing Company dba Enterprise Rent-A-Car, effective as of the date of signature and the date of Closing, substantially in the form attached hereto as Exhibit E and incorporated herein (the "***Tenant Certificate***").

4.1.7 Compliance With Obligations. Seller shall have performed and complied in all material aspects, at the appropriate times for such performance and compliance, with the obligations, covenants, conditions and agreements under this Agreement to be performed by Seller.

4.2. Seller Conditions. The obligation of Seller to convey the Property to Buyer is subject to the satisfaction or waiver of the following conditions within the time periods specified below, which conditions are for the benefit of Seller and may be satisfied or waived only in writing by Seller. If any of the following conditions is not satisfied or waived in writing on or before Closing (or such earlier date as provided elsewhere in this Agreement), then this Agreement shall terminate upon Seller's written notice to Buyer, Buyer shall be entitled to return of the Deposit together and the interest accrued thereon (if any) and the parties shall have no further obligations to one another except those which expressly survive Closing or earlier termination of this Agreement.

CITY CLERK

4.2.1 Compliance With Obligations. Buyer shall have performed and complied in all material aspects, at the appropriate times for such performance and compliance, with the obligations, covenants, conditions and agreements under this Agreement to be performed by Buyer.

4.2.2 Representations, Warranties and Covenants of Buyer. Buyer's representations and warranties in this Agreement shall be true and correct as of Closing.

4.2.3 Temporary Use Permit. Buyer shall have executed and delivered to Seller a Temporary Use Permit in favor of Seller in the form attached hereto as Exhibit F (the "***Temporary Use Permit***").

5. Representations and Warranties.

5.1 Seller's Representations and Warranties. Seller represents, warrants, and covenants as follows, which representations, warranties, and covenants shall survive Closing and shall not be merged in any deed or agreement delivered at Closing.

5.1.1 Authority of Seller. Seller is the sole owner of the fee interest in the Property and the persons signing on behalf of Seller have full power and authority to execute this Agreement and perform Seller's obligations hereunder including execution and delivery of the Deed and the Partial Assignment of Lease. When executed and delivered by Seller, this Agreement shall constitute a legal, valid, and binding obligation of Seller.

5.1.2 Agreements to Transfer or Encumber. Seller has neither committed nor obligated itself in any manner whatsoever to sell, lease or encumber the Property or any interest therein to any party other than to Buyer or as set forth in the Enterprise Lease.

5.1.3 Bankruptcy, Etc. No bankruptcy, insolvency, rearrangement or similar action involving Seller or the Property, whether voluntary or involuntary, is pending, threatened by a third party, or contemplated by Seller.

5.1.4 Litigation. To the best of Seller's knowledge, there is no pending or threatened judicial, municipal or administrative proceedings with respect to this transaction or in any manner affecting the Property or any portion thereof or in which Seller is or will be a party by reason of Seller's ownership of the Property or any portion thereof.

5.1.5 Notices. Seller has not received any notices from any insurance companies, governmental agencies or from any other parties with respect to any violations or other matters concerning the Property.

5.1.6 Tax Returns. To the best of Seller's knowledge, Seller has filed all local, state and federal tax forms that are required to be filed by Seller, has paid all taxes due and payable by Seller to date and will pay all such taxes that become due and payable by Seller prior to Closing.

5.1.7 Underground Storage Tanks. Other than as disclosed to Buyer in the "Phase I and II Environmental Site Assessment" dated October 30, 2007 prepared by GeoEngineers, Inc. which has been previously delivered to Buyer, to the best of Seller's knowledge there are no cisterns, wells, subterranean storage or underground storage tanks on the Property and underground storage tanks have not been removed from the Property.

5.1.8 Leases, Service Contracts or Other Contracts. Other than the Enterprise Lease, to the best of Seller's knowledge as of Closing, no leases, service contracts or other contracts are in place regarding or related to the Property.

5.1.9 Mechanic's Liens. To the best of Seller's knowledge, no labor, material or services have been furnished in, on or about the Property or any part thereof as a result of which any mechanics', laborer's or materialmen's liens or claims might arise.

5.1.10 Assumption of Liabilities. Other than: (i) such obligations as may be expressly assumed by Buyer under the Partial Assignment of Lease; and (ii) any liens or other obligations with respect to the Property that result from any action or activities by or on behalf of Buyer after Closing, Seller will pay and discharge any and all liabilities of each and every kind arising prior to Closing out of or by virtue of the possession, ownership or use of the Property and shall indemnify, defend and hold Buyer harmless therefrom.

5.1.11 Further Information. From the date of this Agreement to the Closing date, Seller will notify Buyer of each event of which Seller becomes aware that affects the Property or any part thereof immediately upon learning of the occurrence of such event.

5.1.12 Environmental Compliance. In addition to and without limiting any other representations, warranties, covenants and agreements in this Agreement, Seller represents, warrants, covenants and agrees:

(a) **Hazardous Substances**. Seller has not used, generated, manufactured, produced, stored, released, discharged or disposed of on, under, above or about the Property (or off-site of the Property that might affect the Property) or transported to or from the Property, any Hazardous Substance. Other than as disclosed to Buyer in the "Phase I and II Environmental Site Assessment" dated October 30, 2007 prepared by GeoEngineers, Inc. which has been previously delivered to Buyer, Seller has no knowledge nor has Seller observed any questionable practice or conduct indicating that any Hazardous Substance has been used, generated, manufactured, produced, stored, released, discharged or disposed of on, under or

SEATTLE CITY CLERK

above the Property (or off-site of the Property that might affect the Property) or transported to or from the Property by any entity, firm or person, or from any source whatsoever.

(b) **Pre-closing Covenant**. Seller will not use, generate, manufacture, produce, store, release, discharge or dispose of on, under, above or about the Property (or off-site of the Property that might affect the Property), or transport to or from the Property, any Hazardous Substance or authorize any other person or entity to do so, prior to Closing.

(c) **Environmental Indemnity**. Seller shall protect, indemnify, hold harmless and defend Buyer and its elected officials, officers and, employees, from and against any and all loss, damage, cost, expense or liability (including attorneys' fees and costs) directly or indirectly arising out of or attributable to a breach of any representation, warranty, covenant or agreement contained in this Section 5.1.12 including, without limitation, (a) all consequential damages, and (b) the costs of any required or necessary repairs, cleanup or detoxification of the Property and the preparation and implementation of any closure, remedial or other required plans. This indemnity does not apply to actions of Buyer, its agents or independent contractors.

(d) **Definitions**. The term "***Hazardous Substance***" includes without limitation: (a) those substances included within the definitions of "hazardous substances", "hazardous materials", "toxic substances", "hazardous wastes" or "solid waste" in any Environmental Law; (b) petroleum products and petroleum byproducts; (c) polychlorinated biphenyls; and (d) chlorinated solvents. The term "***Environmental Law***" includes any federal, state, municipal or local law, statute, ordinance, regulation, order or rule pertaining to health, industrial hygiene, environmental conditions or Hazardous Substance.

5.2 Buyer's Representations and Warranties. Buyer represents, warrants, and covenants as follows, which representations, warranties, and covenants shall survive Closing and shall not be merged in any deed or agreement delivered at Closing.

5.2.1 Due Authorization. Subject to satisfaction of Subsection 4.1.6, Buyer has full power to execute, deliver and carry out its obligations under this Agreement and has taken all necessary actions to authorize the execution, delivery and performance of this Agreement. The person executing this Agreement on behalf of Buyer shall at Closing be duly authorized to sign on behalf of and legally bind Buyer.

5.2.2 Enforceability. Subject to satisfaction of Subsection 4.1.6, this Agreement is a legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms.

5.2.3 No Conflict. Subject to satisfaction of Subsection 4.1.6, Buyer's execution, delivery and performance of this Agreement does not conflict with, and would not result in a breach of, any other agreement or instruments to which Buyer is now a party or to which Buyer is bound, or any order, rule, regulation or ordinance applicable to Buyer.

6. Seller's Pre-closing Obligations.

6.1. Claims, Events and Litigation. Seller shall promptly notify Buyer upon receiving notice of a claim or pending litigation affecting the Property or any part thereof, or notice of any event, transaction, or occurrence before Closing that would have a materially adverse affect the Property or any part thereof.

6.2. Title. Seller shall not lease, convey, mortgage, grant a deed of trust, or contract to do the foregoing or otherwise allow or consent to convey, abandon, relinquish, cloud or encumber title to the Property or any interest therein or part thereof without Buyer's consent.

6.3. Maintenance and Operation. Seller shall maintain the Property in good order, condition and repair prior to Closing.

6.4. No Adverse Actions. Seller shall take no action that will directly or indirectly adversely affect the Property or title to the Property.

7. Closing.

7.1 Closing Date. Closing shall occur in the office of Escrow Agent on a date mutually agreeable to Buyer and Seller, but in no event later than September 30, 2008; *provided* that if the ordinance referred to in Subsection 4.1.6 is not effective by September 30, 2008 and all other conditions set forth in Section 4.1 have been satisfied by September 30, 2008: (i) Buyer shall continue to diligently pursue enactment, if necessary, of such ordinance; (ii) this Agreement shall remain in full force and effect; and (iii) the Closing shall be extended until such time as it is reasonably practicable to close after such ordinance is effective. As used in this Agreement, "***Closing***," "***Closing date***" or "***date of Closing***" means the date on which all appropriate documents are recorded and proceeds of sale are available for disbursement to Seller in accordance with this Agreement. Funds held in reserve accounts pursuant to escrow instructions shall be deemed, for purposes of the definition of "Closing," "Closing date" and "date of Closing," as available for disbursement to Seller.

7.2 Prorations; Closing Costs. On the date of Closing, Escrow Agent shall pro-rate all surface water management fees, real property taxes, general assessments, and other fees (if any) accruing against the Property and such charges shall be charged to Seller's account to the extent they have accrued on or before the date of Closing. If Seller is entitled to reimbursement for any overpayment made under this paragraph, it shall be Seller's responsibility to

CITY CLERK

seek such reimbursement outside of Closing. Monetary liens on the Property that have not been released, discharged or reconveyed prior to Closing shall be discharged in full out of the Purchase Price at Closing. Buyer will pay the premium for its title insurance policy (or policies), the Escrow Agent's fees and the cost of recording the Deed and the Partial Assignment of Lease.

7.3 Deliveries at Closing.

7.3.1 Seller's Deliveries at Closing. At Closing, Seller shall execute and deliver to Escrow Agent the following items, each of which shall be in form and substance reasonably satisfactory to Buyer: (i) an executed counterpart of the Partial Assignment of Lease and the Temporary Use Permit; (ii) the executed Deed; (iii) an executed real estate excise tax affidavit(s) together with payment for any excise tax, if any, arising from the transactions contemplated by this Agreement (which may be deducted from Seller's proceeds); and (iv) an affidavit evidencing that Seller is exempt from the withholding requirements of Section 1445 of the Internal Revenue Code.

7.3.2 Buyers' Deliveries at Closing. At Closing, Buyer shall execute and deliver to Escrow Agent the following items, each of which shall be in form and substance reasonably satisfactory to Seller: (i) an executed counterpart of the Partial Assignment of Lease and the Temporary Use Permit; (ii) an executed real estate excise tax affidavit(s); and (iii) readily available funds in the amount of the Purchase Price less the Deposit together with additional funds sufficient to pay such items as are to be charged to Buyer's account pursuant to this Agreement.

7.4. Risk of Loss. Seller will bear the risk of loss of or damage to the Property until the date of Closing. In the event of material loss of or damage to the Property prior to Closing, Buyer may terminate this agreement by giving notice of termination to Seller. If Buyer elects to terminate this Agreement, the Deposit together with interest, if any, shall be refunded to Buyer, and the parties shall have no further rights or obligations under this agreement. For purposes of this paragraph, the term "material loss or damage" shall mean damage, the cost of which to repair exceeds $50,000 as determined by a neutral third party professional engineer to be reasonable selected by Buyer and hired and paid for by Seller. In the case of any damage other than material damage occurring to the Property prior to Closing, the parties shall proceed to Closing and Seller, at its sole cost, shall undertake to diligently repair such damage and restore the Property to the condition in which it was in immediately prior to such damage. The date of Closing shall be extended as necessary to provide time for assessment of damage, termination and repair, as applicable.

7.5 Possession. Buyer shall be entitled to possession of the Property upon Closing, subject to the Enterprise Lease and the Temporary Use Permit.

8. Remedies. If Buyer has performed all of its obligations under this Agreement and Seller fails, without legal excuse, to convey to Buyer the Property and the Partial Assignment of Lease on the terms set forth herein, then Buyer shall be entitled to pursue such remedies as may be available at law or equity or to terminate this Agreement and receive return of the Deposit, together with the interest accrued thereon, if any. If Seller has performed all of its obligations under this Agreement, and Buyer fails, without legal excuse, to deliver the items set forth in Subsection 7.3.2 above or perform its obligations under Section 7.1, then the Deposit, together with all interest accrued thereon shall be forfeited to Seller as liquidated damages as Seller's sole and exclusive remedy.

9. Broker Representation. Seller represents and warrants to Buyer that Seller has not incurred finder's, broker's, or other commissions or fees payable to any person in connection with this Agreement. Seller shall indemnify and hold Buyer harmless from and against any liability for such commissions or fees incurred by Seller. Buyer represents and warrants to Seller that Buyer has not incurred finder's, broker's, or other commissions or fees payable to any person in connection with this Agreement. Buyer shall indemnify and hold Seller harmless from and against any liability for such commissions or fees incurred by Buyer.

10. General Provisions.

10.1 Notices. All notices required or permitted hereunder shall be in writing and shall either be delivered in person, sent by certified mail, return receipt requested, or delivered via facsimile transmittal, and shall be deemed received on the sooner of actual or facsimile receipt or three (3) days after deposit in the United States mail, postage prepaid, addressed to Seller or Buyer, as the case may be, at the address/facsimile number set forth below and with copies as specified:

Seller:
Cornish College of the Arts
1000 Lenora Street
Seattle, WA 98121
Facsimile: (206) 726-5053
Telephone: (206) 726-5020
Attn: Jeff Riddell, Chief Financial Officer

Buyer:
Seattle Department of Parks and Recreation
800 Maynard Avenue South, 3rd Flr.
Seattle, WA 98134
Facsimile: (206) 233-7038
Telephone: (206) 733-9106
Attn: Lise Ward

Notice of a change of address or facsimile number shall be given by written notice in the manner specified above.

DIS CITY CLERK

10.2 Costs. Except as specifically provided in this Agreement, neither party shall be responsible for paying any costs incurred by the other party in connection with this Agreement or otherwise.

10.3 Amendment. This Agreement may be amended only by written instrument signed by Seller and Buyer, acting through duly authorized representatives if applicable.

10.4 Entire Understanding. This Agreement, and the exhibits attached hereto and the documents incorporated herein, embody the entire agreement between the parties with respect to the transaction contemplated hereby, superseding all prior expressions by the parties. The terms of this Agreement cannot be waived except by the written agreement of the party against whom a waiver is asserted.

10.5 Time of Essence. Time is of the essence of this Agreement and each term and condition hereof.

10.6 Governing Law; Venue. This Agreement shall in all respects be interpreted, construed and enforced in accordance with the laws and judicial decisions of the State of Washington. The venue for resolution of any dispute in connection with this Agreement shall be the Superior Court of King County, Washington.

10.7 Severability. If any portion of this Agreement shall be held to be invalid, the same shall not affect in any respect whatsoever the validity of the remainder of this Agreement, which shall be enforced in accordance with its terms.

10.8 Holidays and Weekends. In the event that the date for any notice, performance, term, or period specified or contemplated hereunder shall fall on a holiday or a weekend, the date and any associated performance or action shall automatically be extended to the next succeeding business day.

10.9 Captions. Section titles or other headings set forth in this Agreement are for the convenience of the parties only and shall not be a part of this Agreement, nor shall they be considered in its interpretation, construction, or enforcement.

10.10 Exhibits Incorporated. All exhibits attached hereto, as listed below, are expressly incorporated into and form a part of this Agreement.

Exhibit A.	Legal Description of Property
Exhibit B.	Enterprise Lease
Exhibit C.	Permitted Exceptions
Exhibit D.	Partial Assignment of Lease
Exhibit E.	Tenant Certificate
Exhibit F.	Temporary Use Permit

11. Buyer's Improvements. Upon expiration or earlier termination of the Enterprise Lease, Buyer intends to design, construct and install improvements on the Property for open space, park and recreation purposes. Buyer covenants that, prior to Closing, it will deliver a letter to Seller from the Superintendent of the City of Seattle Department of Parks and Recreation setting forth the source from which Buyer obtained the Purchase Price funds and the legal constraints for same.

12. Survival. The covenants, agreements, indemnities, representations and warranties made in this Agreement shall survive Closing unimpaired and shall not merge into the Deed and the recordation thereof.

IN WITNESS WHEREOF the parties have signed this Agreement as of the Effective Date.

BUYER:

The City of Seattle,
a Washington municipal corporation

By: _____
Timothy A. Gallagher, Superintendent of Parks and Recreation

SELLER:

Cornish College of the Arts,
a Washington non-profit corporation

By: _____
Sergei Tschernisch, President

By: _____
Jeff Riddell, Chief Financial Officer

CITY CLERK

Attachment 1

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

That portion of Lots 1, 2, and 3, Block 24, Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's 2nd Addition to the City of Seattle), according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington, lying easterly of and excepting therefrom that portion condemned in King County Superior Court Cause Number 36118 for Westlake Avenue, as provided by Ordinance Number 7733 of the City of Seattle.

Attachment 1

EXHIBIT B

ENTERPRISE LEASE
(pages 14-32 of this Agreement)

CITY CLERK

COPY

COMMERCIAL LEASE

THIS LEASE, made and entered into this 6th day of April, 1993, by and between HOWARD K. ANDERSON and DORCAS ANDERSON, husband and wife ("Lessor") and ENTERPRISE LEASING COMPANY, d/b/a ENTERPRISE RENT-A-CAR, a Washington corporation, ("Lessee").

WITNESSETH:

In consideration of the mutual promises, covenants and conditions hereinafter set forth, the parties hereby agree as follows:

ARTICLE I
LEASED PREMISES

Leased Real Property

1.1 Lessor hereby leases to Lessee, and Lessee hereby hires from the Lessor those certain commercial buildings and office space in Seattle, King County Washington, illustrated in Exhibit A attached hereto and located on property legally described in Exhibit B attached hereto, which exhibits are incorporated by reference (said property hereinafter referred to as the Leased Premises).

Signs

1.2 Lessee shall obtain all requisite governmental permits to affix any signs to the exterior of the Leased Premises. All signs of Lessee shall be subject to the prior written approval of Lessor, which approval shall not be unreasonably withheld.

ARTICLE II
TERM

Term/Options to Renew/Termination

2.1 Term.

The term of this Lease shall be for a period of five (5) years commencing on the 1st day of December, 1993, and ending at 11:59 p.m. on the 30th day of November, 1998.

2.2 Options to Renew.

Lessee shall have the option to extend this lease for two additional terms of five years each upon the same terms and conditions as contained in this lease except as to rent. To exercise any such options, Lessee shall give written notice of intention to do so to

the Lessor not less than six months before the termination date of the then current lease term or extended term. Lessee's right to renew this lease is conditioned upon Lessee having performed all conditions and covenants on its part to be performed at the end of the then-current lease term or the extended term.

2.3 Termination of Lease by Lessor.

Lessor may terminate this lease pursuant to paragraph 17.12.

ARTICLE III
RENT

Rent for First Five-Year Term

3.1 Lessee will pay to Lessor a rental of Five Thousand Dollars ($5,000) per month commencing December 1, 1993 for the first year, thereafter rental will by Fifty-Five Hundred Dollars ($5,500) per month through November 30, 1998. If the rent is not paid by the fifth day of the month then there shall be a late charge of one hundred dollars ($100.00) per month. Rental shall be paid in advance on the first day of each month of this lease which monthly payments shall be in the sum of Five Thousand Dollars ($5,000) per month for the first year of the lease, and Fifty-Five Hundred Dollars ($5,500) thereafter.

Rent for Any Extended Lease Term

3.2 The rental for any extended term shall be the fair rental value of the leased premises at the beginning of any extended term giving effect to all relevant conditions then existing. After the giving of notice of intention to extend the lease, Lessor and Lessee shall enter into negotiations to determine the fair rental value for the extended term on the conditions set forth in this lease. If Lessor and Lessee cannot agree upon the rental by the date which is 90 days prior to the termination of the lease, the amount of such rent shall be determined by arbitration according to the laws of the State of Washington. The parties shall select an arbitrator who is a member of the American Institute of Real Estate Appraisers or a similar or successor organization and if the parties cannot so agree, then an arbitrator shall be appointed by the Presiding Judge of the King County Superior Court. The rental to be fixed shall be based upon the property as "free and clear to lease" but in no event shall be less than $5,500 per month. The expenses of any appraisal conducted in accordance with this lease shall be borne equally by the Lessor and Lessee.

ARTICLE IV
CONDUCT OF BUSINESS

Use of Premises

4.1 Lessor agrees that Lessee and those holding by, through and under Lessee may only use the Leased Premises for general car rental, leasing, sales, and for general administrative purposes connected with said business. Without limitations on the foregoing

pks

CITY CLERK

the Lessee shall not use the premises nor any part thereof for any trade, manufacture, occupation or any use which shall be unlawful or a nuisance or contrary to any law, ordinance, rule or regulation of public authority.

Liens or Encumbrances

4.2 Lessee shall keep the leased premises free and clear of any liens and encumbrances arising out of any work performed, materials furnished or obligations incurred by Lessee.

Compliance with Laws

4.3 Lessee shall comply with all municipal, county, state and federal ordinances or laws imposing restrictions or regulations on the leased premises and the use thereof.

ARTICLE V
UTILITIES, TAXES AND INSURANCE

Utility Charges

5.1 Lessee covenants and agrees to promptly pay prior to delinquency all charges for heat, light, sewer, water, Metro charges and all other public utilities which shall be used and/or charged against the leased premises during the term of this Lease.

Licenses and Taxes

5.2 Lessee shall be responsible for, and shall pay throughout the lease term, all license and excise fees and all occupation and personal property ad valorem taxes for the business conducted on the Leased Premises and property owned or being leased by Lessee. If any governmental authority or unit under any present or future law effective at any time during the term of this Lease shall in any manner levy a tax on rent payable under this Lease or rent accruing from use of property or a tax in any form against the Lessor because of or measured by income derived from the leasing or rental of such property, such tax shall be paid by Lessee, either directly or through Lessor, and for Lessee's default therein, Lessor shall have the same remedies as for failure to pay rent; provided, however, that Lessee shall not be liable to pay any net income tax or business and occupation tax imposed on Lessor.

Real Estate Taxes and Assessments

5.3 Real property taxes and personal property taxes and all assessments on the Leased Premises or contents thereof shall be the obligation of Lessee. This includes any obligation to the City of Seattle for street or other use purposes and in particular for using any alleys or easements. Lessor shall provide Lessee with copies of tax and assessment statements. Lessee agrees to pay to Lessor any taxes and assessments billed for the Leased Premises at least thirty (30) days before the due date. Such tax and/or assessment payment shall be deemed additional rent. Any such taxes and assessments payable during the year in

RLM

which this Lease commences or ends shall be prorated for the portion of the year the Leased Premises are under lease by Lessee. With respect to assessments which may be levied against or upon the Leased Premises, during the lease term, Lessee shall be required to pay each year only the amount of such annual installments as shall be payable during any year of the lease term (with appropriate proration for any partial year), and Lessee shall have no obligation to continue such payments after the termination of this Lease.

Property Insurance

5.5 Lessee at its expense and without cost to Lessor shall maintain during the term of this lease fire and extended insurance coverage with respect to all buildings, structures, and improvements including additions or enlargements, upon the Leased Premises or other property acquired insuring against loss or damage by fire or as otherwise provided in the insurance policies in an amount sufficient to prevent Lessor or Lessee from being a co-insurer of any partial loss under the applicable policies, which may be written on a replacement costs basis or blanket coverage subject to the ninety percent (90%) average clause and business interruption insurance guaranteeing the payment of rental for up to six months after an insured loss. Lessee shall provide copies of all insurance certificates required by this lease agreement to Lessor and shall provide proof of payment of premiums on an annual basis. All insurance maintained by Lessee pursuant to this paragraph 5.5 above shall name Lessor, Lessee, and any mortgagee, Deed of Trust Beneficiary, or contract vendor of the fee interest in the Leased Premises as insured's as their respective interests may appear, and shall include if reasonably attainable an effective waiver by the insurer of such insurance of all rights of subrogation against any named insured or such insured's interest in the Leased Premises. Provided that no cancellation, reduction in amount, or material change in coverage thereof shall be effective until at least fifteen (15) days after Lessors receipt of written notice thereof and said insurance shall be subject to approval by Lessor which approval will not be unreasonably withheld.

ARTICLE VI
CONDITION OF PREMISES AND ALTERATIONS

Alterations by Lessee

6.1 Lessee has examined the Leased Premises and any fixtures and equipment therein and accepts possession of the same in their present condition. Lessee shall not make any material alterations, additions or improvements in or to the Leased Premises, without the prior written consent of Lessor, which consent shall not be unreasonably withheld. Any alterations, additions, or improvements made by Lessee in the Leased Premises shall be at Lessee's sole expense. Lessee shall secure any and all governmental permits required in connection with any such work, and shall hold Lessor harmless from any and all liability and any and all liens resulting therefrom. With the exception of any moveable partitions which may be installed with Lessor's consent, all such alterations, additions and improvements shall become the property of the Lessor and shall remain in and be surrendered with the premises as a part thereof at the termination of this Lease, without disturbance or injury.

SEAT CITY CLERK

ARTICLE VII
CONDITION AND MAINTENANCE OF PREMISES

Condition of Premises

7.1 Lessee shall keep the Leased Premises neat, clean, and in a sanitary condition, to the satisfaction of the Board of Health and fire department of the jurisdiction in which the premises are located and its inspectors; and shall comply with each and all the statutes of the State of Washington and ordinances of the jurisdiction in which the premises are located now in force or hereafter enacted pertaining to the use and occupancy of Leased Premises by the Lessee and to keep the sidewalks and parking areas surrounding the same free and clear of ice and snow and all obstructions, according to the ordinances of said jurisdiction.

Maintenance and Repair

7.2 Lessee will be responsible for maintaining the roof, exterior walls and foundation of the buildings on the Leased Premises. The leased premises have been inspected by Lessee, including any fixtures and equipment and said premises are accepted by Lessee in their present condition. Lessee, at its sole cost and expense, shall keep the Leased Premises (including exterior doors and entrances, all windows, and moldings and trim of all doors and windows) and any partitions, door surfaces, fixtures, equipment, and appurtenances thereof (including lighting, heating and plumbing fixtures, and any air conditioning system) in good order, condition and repair, damage by unavoidable casualty excepted (but not excluding damage from burglary or attempted burglary of the Leased Premises). Without limiting the generalities thereof, Lessee shall keep the glass of all windows, doors and showcases clean and presentable; immediately replace all broken glass in the Leased Premises; make any necessary repairs to, or replacements of, all door closure apparatus and mechanisms; keep all plumbing clean and in a good state of repair; and keep all utilities within the Leased Premises in a good state of repair. Lessee shall carry and pay for a maintenance contract on any air conditioning equipment with a reputable firm providing such service.

Failure to Maintain

7.3 If Lessee fails to keep and preserve the Leased Premises, fixtures and equipment as set forth above, Lessor may, at its option, put or cause the same to be put into the condition and state of repair agreed upon, and in such case, Lessee shall pay the cost thereof, upon receipt of written statements from Lessor. Lessor shall have the right to enter the Leased Premises for the purpose of making such repairs upon Lessee's failure to do so.

No Repairs or Maintenance Required by Lessor Except as Specified

7.4 Lessor shall have no obligation to repair or maintain the Leased Premises or the buildings located thereon or the fixtures and equipment therein, whether structural or non-structural. Lessee waives the benefit of any statute now or hereinafter in effect which would otherwise afford Lessee the right to make repairs at Lessor's expense or to terminate

this Lease because of Lessor's failure to keep the Leased Premises in good order, condition and repair. Lessee has either inspected or has been afforded the opportunity to inspect all of the improvements, fixtures and equipment on the Leased Premises through an engineer of Lessee's choice, and accepts the Leased Premises and fixtures and equipment in their present condition "as is".

Surrender of Leased Premises

7.5 At the expiration or sooner termination of this Lease, Lessee shall return the Leased Premises, fixtures and equipment to Lessor in substantially the same condition in which received (or if altered by Lessor or by Lessee with Lessor's consent, then the Leased Premises, fixtures and equipment shall be returned in such altered condition), reasonable wear and tear and damage by fire or other casualty excepted. Lessee's obligation to perform this covenant shall survive the expiration or termination of this Lease.

ARTICLE VIII
INSURANCE AND INDEMNITY

Indemnification

8.1 Lessor shall not be liable for any injury to any person, or for any loss of or damage to any property (including property of Lessee) occurring in or about the Leased Premises from any cause whatsoever, unless caused by Lessor's sole negligence or willful misconduct. Lessee hereby indemnifies and holds Lessor harmless, and agrees to defend Lessor against all claims, charges, liabilities, obligations, penalties, damages, costs and expenses (including attorneys' fees) arising, claimed, charged or incurred against or by Lessor from any actual or alleged injury to any person or from any actual or alleged loss of or damage to any property caused by or resulting from any act or omission of Lessee or any officer, agent, employee, guest, invitee, or visitor of Lessee in or about the Leased Premises, except as occasioned by the sole negligence or willful misconduct of Lessor or Lessor's agent or employees. Without limiting the foregoing, Lessor and Lessor's agent shall not be liable for theft, or any damage, either to person or property, sustained by Lessee or others, caused by any defects now in the Leased Premises or hereafter occurring, becoming out of repair or caused by fire, or by the bursting or leaking of water, gas, sewer or steam pipes, or from any act or neglect of any persons or due to the happening of any accident from whatsoever cause in or about the Leased Premises.

Liability Insurance

8.2 Lessee shall, during the entire term of this Lease, keep in full force and effect a policy or policies of comprehensive general liability and property damage insurance with respect to the leased property, and the business operated thereon by the Lessee and any subleases or Lessee on the Leased Premises with combined single limit coverage for bodily injury and property damage, in an amount not less than One Million and Five Hundred and No/100 Dollars ($1,500,000.00). Lessor shall be named as one of the insured's and shall be furnished with a certificate of such insurance, which shall bear an endorsement that the same

RW

CITY CLERK

shall not be canceled except upon not less than twenty (20) days prior written notice to Lessor. The insurance shall be with an insurance company or companies and in a form approved by Lessor which consent will not be unreasonably withheld. A copy of each policy or certificate of insurance shall be delivered to Lessor prior to commencement of the term.

Waiver of Subrogation

8.3 Lessor and Lessee hereby mutually release each other from liability and waive all rights of recovery against each other for any loss in or about the Leased Premises, from perils insured under their respective fire insurance contracts, including any extended coverage endorsements thereof, whether due to negligence or any other cause; provided, that this section shall be inapplicable if it would have the effect, but only to the extent that it would have the effect of invalidating any insurance coverage of Lessor or Lessee. If at any time this waiver of subrogation provision is unacceptable to the insurer of either party, that party shall immediately notify the other party of such information.

ARTICLE IX
ASSIGNMENT AND SUBLETTING

Assignment and Subletting

9.1 Lessee shall not assign or transfer this Lease or any interest therein or sublet the whole or any part of the Leased Premises, nor shall this Lease or any interest therein be assignable or transferable by operation of law or by any process or proceeding of any court, or otherwise, without the prior written consent of Lessor which consent shall not be unreasonably withheld.

ARTICLE X
DESTRUCTION OF LEASED PREMISES

Notice

10.1 In case the improvements on the leased premises are destroyed or damaged by fire, earthquake, or other casualty during the term of this Lease, Lessee shall give Lessor immediate written notice thereof.

Substantial or Partial Destruction

10.2 No Abatement of Rent or Termination by Reason of Damage or Destruction. In the event there is any destruction or damage to the property or the buildings and improvements from any cause whatsoever, the rent shall not be abated.

10.3 Loss or Damages. If at any time during the term of this lease, or any extension thereof, the building or any improvements on the property are damaged or destroyed from any cause whatsoever, Lessee shall promptly restore the building and/or any improvements thereon to their condition prior to their destruction or damage. Fire insurance

RCS

proceeds shall be paid to Lessor and Lessor shall pay to Lessee the proceeds thereof from time to time as the rebuilding work progresses for the costs of each rebuilding, repair or restoration. Disbursement shall be made upon written request of Lessee, accompanied by evidence satisfactory to Lessor that the amount requested has been paid or is then due and payable and is properly a part of such costs. In the event the insurance proceeds are not sufficient to completely rebuild the building(s) or improvements, Lessee shall make up any difference.

Provided, however, so long as any leading institution, its successors or assigns or any other party has an interest in the Leased Premises as the beneficiary of a deed of trust, vendor of a real estate contract or otherwise, any policy or policies provided for fire or other casualty insurance which Lessor or Lessee may be obligated to maintain may be deposited with and made payable to said lending institution as beneficiary of a deed of trust or vendor as their interests may appear under a standard mortgagee's clause provided that if there is no default in the payment of said lending institution's note or under the terms of its deed of trust, or payments to any vendor, any loss proceeds paid by the insurer to said lending institution shall thereupon be made available promptly for the repair of restoration of the Leased Premises upon presentation of material and labor bills for work completed, but only in the event the Lessee has confirmed to said lending institution the lease will continue in full force and effect upon completion of such repairs or restoration, which work shall be diligently pursued.

ARTICLE XI
EMINENT DOMAIN

Total Taking

11.1 If all of the Leased Premises are taken by eminent domain, this Lease shall terminate as of the date Lessee is required to vacate the Leased Premises, and all rent shall be paid to that date.

Partial Taking

11.2 If a taking of any part of the Leased Premises by eminent domain renders the Leased Premises unsuitable for the business of Lessee, then this Lease may, at the option of either party, be terminated as of the date when Lessee is required to vacate the portion of the Leased Premises so taken by written notice given to the other party not more than thirty (30) days after Lessor received notice of the taking, and if terminated, all rent shall be paid to the date of termination. Whenever any portion of the Leased Premises shall be taken by eminent domain, and this Lease is not terminated, Lessor shall, at its expense, proceed with all reasonable dispatch to do such work as may be required to restore the structure of the Leased Premises, or what remains thereof, as nearly as may be to the condition they were in immediately prior to such taking, and Lessee shall, at its expense, proceed with all reasonable dispatch to do such work to the fixtures, furniture, furnishings, floor covering and equipment as may be required to restore them as nearly as may be to the same condition they were in immediately prior to such taking. From the date Lessee is required to vacate that portion of

DIS CITY CLERK

the Leased Premises taken, the minimum rent payable hereunder shall be reduced in the same proportion that the area taken bears to the overall area of the Leased Premises. The Lessor shall be entitled to receive the entire award in the condemnation proceedings. Lessee hereby specifically assigns to Lessor any and all right, title and interest which Lessee now has or may hereafter have in or to any such award or any part thereof, and Lessee shall be entitled to receive no part of such award.

ARTICLE XII
LESSEE'S DEFAULT

Default

12.1 Time is of the essence hereof. The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Lessee.

(a) Failure to Pay Rent. Lessee's failure to make any payment of minimum rent, additional rent, or any other sum to be paid by Lessee hereunder, as and when due, where such failure continues for a period of five (5) business days after written notice thereof by Lessor to Lessee.

(b) Failure to Perform. Lessee's failure to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Lessee (other than described in 12.1(b) above) where such failure continues for a period of ten (10) business days after written notice thereof by Lessor to Lessee.

Remedies

12.2 Following a default or breach by Lessee, without limiting Lessor in the exercise of a right or remedy Lessor may have under this Lease, at law or in equity, Lessor may, at its option, upon written notice to Lessee, declare Lessee's rights under this Lease terminated and re-enter the leased premises using such force as may be necessary and repossess itself thereof as of its former estate and remove all persons and property from the leased premises, and such property may be removed and stored in a public warehouse or elsewhere at the cost of, and for the account of Lessee, all without service of notice or resort to legal process, and without being deemed guilty of any trespass or becoming liable for any loss or damage caused thereby. Lessor may sell such personal property excluding automobiles in a commercially reasonable sale after such personal property has been stored for a period of thirty (30) days or more. Notwithstanding any such re-entry, the liability of Lessee for the rent provided for herein shall not be extinguished for the balance of the term of this Lease, and Lessee shall make good to Lessor any deficiency arising from receipt by Lessor of a lesser rent than provided for herein and from any commission cost of reletting.

Legal Expenses

12.3 If either party is required to bring any action or otherwise refer this Lease to an attorney for the enforcement of any of the covenants, terms and conditions of this Lease,

RCS

the prevailing or non-defaulting party shall, in addition to all other remedies provided herein, receive from the other party all the costs, including a reasonable attorneys' fee, incurred in the enforcement of the covenants, terms and conditions of this Lease (whether or not an action is instituted) and including any such costs and fees incurred by the prevailing party on any appeal.

Waiver

12.4 Neither the acceptance of rent, nor any other act or omission of Lessor at any time or times after the happening of any event authorizing the cancellation or forfeiture of this Lease shall operate as a waiver of any past or future violation, breach, or failure to keep or perform any covenant, agreement, term, or condition hereof or to deprive Lessor of its rights to cancel or forfeit this Lease, upon the written notice provided for herein, at any time that cause for cancellation or forfeiture may exist or be construed so as to at any future time estop Lessor from properly exercising any other option, right, or remedy that it may have under any term or provision of this Lease, at law or in equity.

ARTICLE XIII
ACCESS BY LESSOR AND OTHERS

Right of Entry

13.1 Lessor or Lessor's agents during business hours on forty-eight (48) hours notice shall have the right to enter the Leased Premises at reasonable business hours to examine the same, including fixtures and equipment, and to show them to prospective purchasers or lessees of the building, and to make such repairs, alterations, improvements, or additions as Lessor may deem desirable. If Lessee is not personally present to permit entry and an entry is necessary or permissible, Lessor may enter the same by a master key or may forcibly enter the same, without rendering Lessor liable therefor. Nothing contained herein shall be construed to impose upon Lessor any duty of repair of the building except as otherwise specifically provided for herein. This paragraph does not restrict Lessors right under paragraph 1.2.

Inspections

13.2 Lessee shall permit access to the Leased Premises for all such inspections as may be required by law, and Lessee shall, during the term of this Lease, pay all fees due the city, county, state or federal government on account of any inspection made on said leased premises by any officer or agent of said city, county, state or federal government, which inspections are in relation to the use and occupancy of said premises by the Lessee or the conduct of the business of the Lessee therein.

RCS

THIS CITY CLERK

ARTICLE XIV
SURRENDER OF PREMISES

Surrender of Possession

14.1 Lessee covenants and agrees to promptly yield and deliver to Lessor possession of the Leased Premises, including the fixtures and equipment described above, without notice at the expiration date or at any prior termination date. The Leased Premises, including the above-described fixtures and equipment, shall be in the same condition as when first obtained by Lessee, reasonable wear and tear and damage by insurable risks excepted. Lessee further agrees to remove all of its personal property from said premises, to clean the premises and to deliver to Lessor all keys to the Leased Premises at the expiration of the term or sooner termination date.

Holding Over

14.2 Any holding over by Lessee after the expiration of the term hereof, with Lessor's consent, shall be construed to be a tenancy from month to month at the rent provided for during the final month of the initial term of this Lease, and on all of the terms and conditions set forth, so far as is consistent with such month to month tenancy.

ARTICLE XV
QUIET ENJOYMENT

Lessor's Covenant

15.1 Lessee, upon fully complying with and promptly performing all of the terms, covenants, and conditions of this Lease on its part to be performed, shall have and quietly enjoy the Leased Premises for the term set forth herein.

ARTICLE XVI
MISCELLANEOUS

Notices

17.1 Except as may otherwise be provided herein, any notices required in accordance with any of the provisions herein shall be sent by registered or certified mail addressed to Lessor at 1830 Broadmoor Drive, Seattle, WA 98112, or at such other place as Lessor may in writing direct; and addressed to Lessee at 11961 - 124th Avenue N.E., Kirkland, WA 98034; or at such other place as Lessee may in writing direct.

Successors and Assigns

17.2 All the terms, conditions, covenants and agreements of this Lease shall extend to and be binding upon Lessor, Lessee, and their respective heirs, administrators, executors, successors and assigns, and upon any person or persons coming into ownership or possession

of any interest in the Leased Premises by operation of law or otherwise, and shall be construed as covenants running with the land.

Insolvency

17.3 If Lessee becomes insolvent, voluntarily or involuntarily bankrupt, or if a receiver, assignee or other liquidating officer is appointed for the business of Lessee, then Lessor shall have the right to cancel this Lease.

Entire Agreement

17.4 This Lease and any exhibits or attachments hereto and forming a part hereof set forth the entire agreement of Lessor and Lessee concerning the Leased Premises, and there are no other agreements or understandings, oral or written, between Lessor and Lessee. Any subsequent modification of this Lease shall be binding upon Lessor and Lessee only if reduced to writing and signed by them.

Broker's Commission

17.5 Each of the parties represents and warrants that there are no claims for brokerage commissions or finders fees in connection with the execution of this Lease and each of the parties agrees to indemnify the other against, and hold it harmless from, all liabilities arising from any such claim (including, without limitation, the cost of attorney's fees in connection therewith).

Partial Invalidity

17.6 . If any term, covenant or condition of this Lease or the application thereof to any person or circumstances is, to any extent, invalid or unenforceable, the remainder of this Lease, and the application of the term, covenant, or condition to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

Signs

17.7 At the termination of this Lease, all such signs, symbols and advertising matter attached to or painted by Lessee upon the premises with the consent of Lessor, whether on the exterior or interior thereof, shall be removed by Lessee at its own expense. Lessee shall repair any damage or injury to the premises and correct any unsightly condition caused by the maintenance or removal of any such sign.

Subordination/Nondisturbance

17.8 Lessee agrees that this Lease shall be subordinate to any mortgage or trust deed that may be existing or hereafter placed on the real property of which Leased Premise

RCS

SEATTLE CITY CLERK

are a part, and to any and all renewals, replacements and extensions thereof. Any security agreement shall either be subject to the terms and conditions of this Lease and the rights hereunder granted to Lessee, or such security instrument shall be prior to this Lease, provided the Mortgagee gives to Lessee a nondisturbance and attornment agreement. The nondisturbance and attornment agreement shall (i) recognize the lease of Lessee; and (ii) provide in the event of foreclosure or other realization proceedings under the security instrument, the Mortgagee or any successor to Lessor through such realization proceeding, will, as of the date of the Mortgagee or such successor acquires the Lessor's interest in the Leased Premises or otherwise gains control of the Lessor's interest be obligated to Lessee to keep and perform all of the obligations of the Lessor under this Lease, or as amended, provided Lessee is not in default in any condition of the Lease.

Covenants Running With the Land

17.9 All the covenants, agreements, conditions and undertakings in this Lease shall extend and inure to and be binding upon the heirs, executors, administrators, distributees, lessees, successors, and assigns of each of the parties hereto, the same as if they were in every case named and expressed, and same shall be construed as covenants running with the land. Wherever in this Lease reference is made to any of the parties hereto, it shall be held to also include and apply to, whenever applicable, the heirs, executors, administrators, distributees, lessees, successors and assigns of each such party, the same as if in each and every case so expressed.

Absence of Partnership

17.10 Nothing contained in this Lease shall create a partnership or joint venture as between Lessor and Lessee or render Lessor or Lessee in any way responsible for the debts of the other, it being the express intention that the relationship of the parties hereto shall at all times be that of Lessor and Lessee.

Hazardous Substances

17.11 Lessor will hold Lessee harmless from and indemnify and defend Lessee against and from any damage, loss, expense or liability, including any attorneys' fees and costs incurred as a result thereof, resulting from any prior use of the Leased Premises involving "hazardous substances" prior to Lessee's occupation of the Leased Premises. "Hazardous substances" shall be interpreted broadly to mean any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous or toxic or radio active substance, or other similar term by any federal, state or local environmental law, regulation or rule presently in affect or promulgated in the future, as such laws, regulations or rules may be amended from time to time, and it shall be interpreted to include any other substance which after release into the environment and upon exposure, ingestion, inhalation or assimilation, either directly from the environment or directly by ingestion through food or otherwise, will, may or reasonably be anticipated to cause sickness, death, disease, behavior abnormalities, cancer or genetic abnormalities. Likewise, Lessee will hold Lessor harmless from and indemnify and defend Lessor against and from any damage, loss, expense or liability,

RCKS

including any attorneys' fees and costs incurred as a result thereof, resulting from any use of the Leased Premises involving "hazardous substances" during Lessees occupation of the Leased Premises.

Termination of Lease by Lessor

17.12 Lessor may terminate this lease in the event:

(a) Lessor has a bona fide sale of the leased premises to a person or entity who intends to erect upon the leased premises and adjacent property a major improvement after the demolition of any building(s) on the leased premises. Said major improvement to be a multi-story structure and may include a hotel, a store, a warehouse, or office building.

(b) Lessor undertakes a major improvement on the leased premises in conjunction with adjacent property owners wherein the building(s) on the leased premises are destroyed. A major improvement is as described immediately above. Lessor may qualify as undertaking a major improvement if Lessor is an investor, lessor, limited partner, shareholder, or participates in any other business way wherein the leased premises owned by Lessor are part of the major improvement.

Upon giving the notice of intention to terminate the lease, the term thereof shall cease, be terminated and end at the expiration of one year from the day when such notice has been mailed. After said date the Lessor may take possession of the leased premises, and every part thereof, and have and enjoy the said premises as his former estate, free, clear and discharged of this lease, and of all rights of the Lessee or any assignee hereunder.

Lessor will reimburse Lessee on the termination date of the lease and after Lessee has vacated the leased premises for the amount of any unamortized improvements on the leased premises for improvements made prior to the notice of termination. The dollar amount of unamortized leasehold improvements shall be measured by Lessee's federal income tax return and shall be prorated for any year.

IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year first above set forth.

LESSOR:

Howard K. Anderson

Dorcas A. Anderson
Dorcas Anderson

RCW

2015 CITY CLERK

LESSEE:

ENTERPRISE LEASING COMPANY, d/b/a
ENTERPRISE RENT-A-CAR,
a Washington corporation

By _____
Richard C. Goodman, Vice President
and General Manager

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this 6 day of April, 1993, personally appeared before me Howard K. and Dorcas Anderson, to me known to be the Lessors, and acknowledged that they acknowledged said instrument as their free and voluntary act and deed, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.

_____
NOTARY PUBLIC in and for the State of Washington, residing at Bothell
My commission expires August 29, 1996

JUNE MEEHAN
COMMISSION EXPIRES
NOTARY
PUBLIC
AUGUST 29, 1996
STATE OF WASHINGTON

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this 6 day of April, 1993, personally appeared before me Richard C. Goodman, to me known to be the Vice President and General Manager of Enterprise Leasing Company, d/b/a Enterprise Rent-A-Car, the 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 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.

_____
NOTARY PUBLIC in and for the State of Washington, residing at Bothell
My commission expires August 29, 1996

JUNE MEEHAN
COMMISSION EXPIRES
NOTARY
PUBLIC
AUGUST 29, 1996
STATE OF WASHINGTON

Attachment 1

12/02/03

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Howard Anderson
1830 Broadmoor Drive
Seattle, WA 98112

Re: NOTICE OF EXERCISE OF LEASE RENEWAL OPTION
Enterprise Rent-A-Car
2116 Westlake Ave

Dear Howard Anderson:

The undersigned is a tenant at the above location under that certain Lease dated April 6th, 1993. Pursuant to the terms of the Lease, we hereby exercise our second five (5) year option to renew such that the term of our Lease shall now expire on November 30th, 2008. In addition Leasee, shall be granted one (1) additional five (5) year option.

Rent for the above exercised option shall be as follows:

12/1/2003-11/30/2004	$8,000.00
12/1/2004-11/30/2005	$8,000.00
12/1/2005-11/30/2006	$8,500.00
12/1/2006-11/30/2007	$8,500.00
12/1/2007-11/30/2008	$8,500.00

Rent for the remaining options shall be bound by Article 3.2 of the Lease.

Thank you for the courtesies extended to us during our tenancy and we look forward to a continued successful business relationship.

Very truly yours,

Enterprise Leasing Company A Washington State Corporation, d/b/a Enterprise Rent-A-Car

By: Richard G Thrasher
Name: Richard G Thrasher
Title: Vice President General Manager

DHS CITY CLERK

Receipt acknowledged this ____ day of _____, 20__.

Howard Anderson

By: _____
Name: HOWARD ANDERSON
Title: PROP.

Attachment 1

LEASE AMENDMENT

This Lease Amendment is entered into the 2nd day of August, 2005 by and between Howard Anderson ("Lessor") and Enterprise Leasing Company, A Washington Corporation ("Lessee").

RECITALS

WHEREAS, Lessor and Lessee entered into a Lease dated April 6th, 1993 for the "Premises" described in the Lease Agreement located at 2116 Westlake Ave, Washington, 98112; and

WHEREAS, Lessor and Lessee wish to agree to modify and amend the Lease.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Lessor and Lessee, and in consideration of the covenants and agreements provided in said Lease, Lessor and Lessee agree as follows:

1. Renewal Option. Lessee shall be granted one (1) additional five (5) year option. This additional option will now grant the Lessee a total of two (2), five (5) year options available for the Lessee to exercise. Such extended terms shall be upon the same terms and conditions as during the term hereof. If Lessee fails to exercise its options within the time period as specified in the Lease, Lessor shall so notify Lessee and Lessee shall have seven (7) business days thereafter within which to exercise the option.

2. Rent. The minimum rent for the premises payable in advance for each month for the renewal options mentioned above, shall be set forth in the Rent schedule below:

Minimum Rent Schedule:

12/1/2008-11/30/2013	$9,350.00
12/1/2013-11/30/2018	$10,285.00

3. Except as expressly modified hereby, all other terms and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed this fourth Addendum as of the day and year first set forth above.

LESSOR

Howard Anderson
Owner

LESSEE
Enterprise Leasing Company, a Washington Corporation

By: _____
Craig Anderson
Regional Vice President

DOS CITY CLERK

Attachment 1

enterprise

Rent-A-Car Division
1119 S.W. 7th Street
Renton, WA 98057

March 20th, 2008

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Cornish College of the Arts
1000 Lenora
Seattle, WA 98121
Attn: Vick Clayton

Re: NOTICE OF EXERCISE OF LEASE RENEWAL OPTION
Enterprise Rent-A-Car
2116 Westlake Ave, Seattle, WA 98121

Dear Vicki Clayton:

The undersigned is a tenant at the above location under that certain Lease dated April 6th, 1993. Pursuant to the terms of the Lease, we hereby exercise our third, five (5) year option to renew such that the term of our Lease shall now expire on November 30th, 2013.

While not a condition to the effectiveness of this Notice, we request that you acknowledge receipt of this letter by signing and returning to the undersigned the enclosed counterpart of this letter.

Thank you for the courtesies extended to us during our tenancy and we look forward to a continued successful business relationship.

Very truly yours,

Enterprise Leasing Company, a Washington State Corporation, d/b/a Enterprise Rent-A-Car

By: Richard G. Thrasher
Name: Richard G. Thrasher
Title: Vice President/General Manager

Receipt acknowledged this 14 day of April, 2008

By: JPC

Name: _____

Title: _____

Attachment 1

EXHIBIT C

PERMITTED EXCEPTIONS

1. EASEMENT AND THE TERMS AND CONDITIONS REFERENCED THEREIN, INCLUDING, BUT NOT LIMITED TO, THE FOLLOWING:

   GRANTEE: City of Seattle
   PURPOSE: Sewer main
   RECORDED: April 20, 1894
   RECORDING NUMBER: 127288
   AREA AFFECTED: Along the westerly line of Lot 1 adjoining Westlake Avenue

2. EASEMENT AND THE TERMS AND CONDITIONS REFERENCED THEREIN, INCLUDING, BUT NOT LIMITED TO, THE FOLLOWING:

   GRANTEE: City of Seattle
   PURPOSE: Sewer main
   RECORDED: May 16, 1894
   RECORDING NUMBER: 128258
   AREA AFFECTED: Along the westerly line of Lots 2 and 3 adjoining Westlake Avenue

3. The Enterprise Lease (See Exhibit B)

DNS CITY CLERK

Attachment 1

EXHIBIT D

PARTIAL ASSIGNMENT OF LEASE
(pages 35-64 of this Agreement)

Attachment 1

Return Address:
The City of Seattle
Department of Parks and Recreation
800 Maynard Avenue South, 3rd Floor
Seattle, WA 98134
Attn: Lise Ward

PARTIAL ASSIGNMENT OF LANDLORD'S INTEREST IN LEASE

Reference numbers of related documents:
NOT APPLICABLE

Grantor:
CORNISH COLLEGE OF THE ARTS

Grantee:
THE CITY OF SEATTLE

Legal Description:

1. Abbreviated form: PTN Lots 1, 2, 3 BLK 24, Sarah's Bell's 2nd Add.

2. Additional legal description is on Schedule B.

Assessor's Property Tax Parcel Account Number(s): 066000-0485 and 066000-0540.

DIS CITY CLERK

Attachment 1

THIS PARTIAL ASSIGNMENT OF LANDLORD'S INTEREST IN LEASE ("***Agreement***") is made the _____ day of _____, 2008, by and between CORNISH COLLEGE OF THE ARTS, a Washington nonprofit corporation ("***Cornish***"), having an address at 1000 Lenora Street, Seattle, Washington, THE CITY OF SEATTLE, a Washington municipal corporation ("***City***"), having an office at c/o Department of Parks and Recreation, 800 Maynard Avenue South, Seattle, WA 98134.

RECITALS

A. Cornish is the successor lessor under that certain lease dated April 6, 1993 as amended by letter dated December 2, 2003 and lease amendment dated August 2, 2005 (collectively "***Lease***") between Howard K. Anderson and Dorcas Anderson and Enterprise Leasing Company dba Enterprise Rent-A-Car ("***Tenant***"). A copy of the Lease is attached hereto as Schedule A and incorporated herein.

B. The premises leased under the Lease are legally described on Schedule B attached hereto and incorporated herein ("***Premises***").

C. The City has acquired a portion of the Premises by deed from Cornish dated _____ and recorded under King County recording number _____ ("***City Property***"). The City Property is legally described on Schedule B. The portion of the Premises retained by Cornish ("***Cornish Property***") is also legally described on Schedule B.

D. The City and Cornish have agreed on allocation of rights and obligations in connection with the Lease.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt of which is hereby acknowledged, the City and Cornish hereby covenant and agree as follows:

AGREEMENT

1. Assignment; Rights and Obligations.

a) Assignment. Cornish does hereby assign, transfer, set over, convey and deliver to the City, its successors and assigns, the rights and interests of lessor under the Lease as they pertain to the City Property.

b) Obligations. In consideration of the Management Fee (defined in subsection (c) below), Cornish hereby agrees to perform (i) all obligations of lessor as set forth in the Lease, including obligations of lessor with respect to the City Property, and (ii) each obligation of Cornish as provided in this Agreement. If Cornish fails to perform the lessor

obligations as set forth in the Lease or the obligations of Cornish as provided in this Agreement, the City shall have the right to perform such obligations with respect to the City Property, to withhold the Management Fee from Cornish and to recover from Cornish the City's out of pocket costs and expenses (including attorneys' fees) not reimbursable by Tenant or not actually reimbursed by Tenant. The City shall have no obligation to perform obligations of Cornish with respect to the Cornish Property.

c) Rental. Cornish shall collect rent from Tenant. The City shall be entitled to receive **55%** of the Net Rental Income as follows: For purposes of this subsection, "***Net Rental Income***" shall mean all rents collected from Tenant under the Lease less: (i) a management fee payable to Cornish equal to **3**% of all rents collected from Tenant under the Lease ("***Management Fee***"); and (ii) any reasonable out-of-pocket collection costs (including attorneys' fees) incurred by Cornish in connection with its performance of lessor obligations under the Lease (unless and until the same are reimbursed by Tenant). Cornish shall distribute the City's share of the Net Rental Income, together with an accounting thereof, monthly beginning the month following the City's acquisition of the City Property. In the event Cornish's calculation of the Net Rental Income results in a negative number (a "***Deficiency***"), there shall be no distribution of Net Rental Income until such Deficiency is offset by future positive Net Rental Income and the City shall have no liability to Cornish for such Deficiency.

d) Leasehold Excise Tax. Cornish shall bill and collect from Tenant, and deliver to the City on a monthly basis, the leasehold excise tax attributable to rental of the City Property and the same shall not be "rents collected from Tenant" for purposes of this Agreement. "Rent attributable to rental of the City Property" shall be determined by multiplying all rents collected from Tenant by a fraction having a numerator equal to the square footage of the City Property and a denominator equal to the square footage of the Premises.

e) Insurance. Cornish shall consult with the City's Risk Manager concerning the acceptability of the Tenant's insurance company and form of evidence of insurance with respect to the insurance required under Sections 5.5 and 8.2 of the Lease, and shall cause the Tenant to comply with City Risk Manager requirements concerning acceptable insurance companies and forms of evidence of insurance, to the extent not inconsistent with the Lease. Cornish shall also diligently pursue each of the following: (i) Tenant's addition of the City to the policies, as provided in Sections 5.5 and 8.2 of the Lease, effective as of the date of the City's acquisition of the City Property; (ii) amendment of its liability policies to name the City as one of the insureds for primary and noncontributory limits of liability; and (iii) furnishing evidence of such insurance no later than the date of the City's acquisition of the City Property.

2. Warranties and Representations. Cornish hereby warrants and represents to the City that:

a) Corporate Status; Authority. Cornish is a corporation duly organized and in good standing under the laws of the state of Washington and has full power and authority to enter into

DNS CITY CLERK

this Agreement, and this Agreement has been duly authorized, executed and delivered on behalf of Cornish.

b) Copy of Lease. To the best of Cornish's knowledge, the copy of the Lease attached hereto as Schedule A is a true, complete and correct copy of the Lease.

c) No Modifications. To the best of Cornish's knowledge, the Lease has not been modified or amended and is the only lease or rental agreement, either oral or in writing, relating to the occupancy of the City Property.

d) No Claims or Offsets. To the best of Cornish's knowledge, neither Cornish nor the Tenant has any claims, setoffs, defenses or causes of action, at law or in equity, with respect to the Lease or any payment of rent or other sums payable under the Lease.

e) Monthly Rent. The current monthly rent under the Lease is $8500. Tenant has paid monthly rent through _____.

f) Termination of Lease. Cornish and Tenant have entered into a letter agreement (a copy of which is attached hereto as Schedule C) wherein Tenant has agreed that Cornish's current development plans satisfy the Lease termination provisions of Section 17.12(b). Cornish warrants that it will comply with the terms of such letter agreement.

3. Covenants. Cornish covenants as follows:

a) No Amendment. Cornish shall not enter into any agreement amending, modifying, or extending the Lease without the prior written consent of the City.

b) No Offset. Cornish shall not allow or agree to any offset of rent or change of rent without the prior written consent of the City.

c) No Forbearance. Cornish shall not forbear from enforcing the terms of the Lease against the Tenant without the prior written consent of the City.

d) No Assignment. Subject to Section 9.1 of the Lease, Cornish shall not allow Tenant to assign all or any portion of its interest in the Lease or to sublet all or any portion of the Premises without the prior written consent of the City.

e) Copies. Cornish shall provide to the City, as soon as possible, a copy of each notice, document, and written communication received by Cornish from the Tenant or sent to the Tenant by or for Cornish.

f) Tenant Reimbursement. Cornish shall be solely responsible for reimbursing Tenant for the amount of any unamortized improvements on the Premises in satisfaction of Section 17.12 of the Lease

4. Indemnity. The City shall not become obligated to keep, fulfill, observe, perform or discharge, nor does the City assume, expressly or impliedly, any covenant, duty, debt or obligation of the lessor under the terms, provisions and conditions of the Lease, and Cornish hereby agrees to indemnify the City against and defend and hold the City harmless from and against any and all costs, claims, fees and expenses (including the City's attorneys' fees) arising out of or in any way relating to defaults and liabilities of Cornish or its predecessor in interest under the Lease.

5. Notices. Any notice, request or demand given or made under this Agreement (each such notice, request, or demand being called a "***Notice***") shall be in writing and shall be considered received when hand delivered, when received by facsimile transmission during normal business hours, or two (2) business days after sent, postage prepaid, by U.S. mail. Each Notice which is given (the party giving the Notice is called the "***Sending Party***") to the other (such other party being called the "***Receiving Party***") shall be addressed to such Receiving Party at its address set forth below. Each party to this Agreement may designate a change of address by Notice given, as provided in this Section, to the other party at least fifteen (15) calendar days prior to the date such change of address is to become effective.

Cornish: Cornish College of the Arts
1000 Lenora Street
Seattle, WA 98121
Facsimile: (206) 726-5053
Attn: Jeff Riddell

City: Seattle Department of Parks and Recreation
800 Maynard Avenue South, 3rd Flr.
Seattle, WA 98134
Facsimile: (206) 233-7038
Attn: Property Management

6. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of Cornish and the City and their respective successors and assigns.

7. No Oral Changes. This Agreement may not be modified in any manner or terminated except by an instrument in writing executed by the parties to this Agreement.

DPS CITY CLERK

8. Applicable Law. This Agreement shall be governed by and construed under the substantive laws of the state of Washington.

9. Headings Have No Legal Effect. The headings and captions of this Agreement are for convenience of reference only, and have no legal effect, and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions of this Agreement.

10. Recordation. This Agreement shall be recorded in the King County Office of Records and Elections.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

CORNISH COLLEGE OF THE ARTS,
a Washington non-profit corporation

By: _____
Sergei Tschernisch, President

By: _____
Jeff Riddell, Chief Financial Officer

THE CITY OF SEATTLE,
a Washington municipal corporation

By: _____
Timothy A. Gallagher
Superintendent of Parks and Recreation

Schedule A: Lease
Schedule B: Legal Description of Premises (City Property and Cornish Property)
Schedule C: Letter Agreement between Cornish and Tenant

Attachment 1

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this _____ day of _____, 2008, before me the undersigned, a Notary Public in and for the State of _____, duly commissioned and sworn, personally appeared _____, to me known to be the _____ of **Cornish College of the Arts,** the nonprofit corporation that executed the foregoing instrument and acknowledged the 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 the said instrument.

Date: _____

_____
NOTARY PUBLIC in and for the State of
Washington residing at _____
My commission expires: _____
PRINT NAME: _____

Use this space for Notary Seal/Stamp

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this _____ day of _____, 2008, before me the undersigned, a Notary Public in and for the State of _____, duly commissioned and sworn, personally appeared _____, to me known to be the _____ of **Cornish College of the Arts,** the nonprofit corporation that executed the foregoing instrument and acknowledged the 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 the said instrument.

Date: _____

_____
NOTARY PUBLIC in and for the State of
Washington residing at _____
My commission expires: _____
PRINT NAME: _____

Use this space for Notary Seal/Stamp

DTS CITY CLERK

Attachment 1

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this _____ day of _____, 2008, before me the undersigned, a Notary Public in and for the State of _____, duly commissioned and sworn, personally appeared _____, to me known to be the _____ of the _____of THE CITY OF SEATTLE, the municipal corporation that executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation for the uses and purposes therein mentioned, and on oath stated that s/he was authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.

Date: _____

_____
NOTARY PUBLIC in and for the State of
Washington residing at _____
My commission expires: _____
PRINT NAME: _____

Use this space for Notary Seal/Stamp

Attachment 1

Schedule A

LEASE

CITY CLERK

COMMERCIAL LEASE

THIS LEASE, made and entered into this 6th day of April, 1993, by and between HOWARD K. ANDERSON and DORCAS ANDERSON, husband and wife ("Lessor") and ENTERPRISE LEASING COMPANY, d/b/a ENTERPRISE RENT-A-CAR, a Washington corporation, ("Lessee").

WITNESSETH:

In consideration of the mutual promises, covenants and conditions hereinafter set forth, the parties hereby agree as follows:

ARTICLE I
LEASED PREMISES

Leased Real Property

1.1 Lessor hereby leases to Lessee, and Lessee hereby hires from the Lessor those certain commercial buildings and office space in Seattle, King County Washington, illustrated in Exhibit A attached hereto and located on property legally described in Exhibit B attached hereto, which exhibits are incorporated by reference (said property hereinafter referred to as the Leased Premises).

Signs

1.2 Lessee shall obtain all requisite governmental permits to affix any signs to the exterior of the Leased Premises. All signs of Lessee shall be subject to the prior written approval of Lessor, which approval shall not be unreasonably withheld.

ARTICLE II
TERM

Term/Options to Renew/Termination

2.1 Term.

The term of this Lease shall be for a period of five (5) years commencing on the 1st day of December, 1993, and ending at 11:59 p.m. on the 30th day of November, 1998.

2.2 Options to Renew.

Lessee shall have the option to extend this lease for two additional terms of five years each upon the same terms and conditions as contained in this lease except as to rent. To exercise any such options, Lessee shall give written notice of intention to do so to

the Lessor not less than six months before the termination date of the then current lease term or extended term. Lessee's right to renew this lease is conditioned upon Lessee having performed all conditions and covenants on its part to be performed at the end of the then-current lease term or the extended term.

2.3 Termination of Lease by Lessor.

Lessor may terminate this lease pursuant to paragraph 17.12.

ARTICLE III
RENT

Rent for First Five-Year Term

3.1 Lessee will pay to Lessor a rental of Five Thousand Dollars ($5,000) per month commencing December 1, 1993 for the first year, thereafter rental will by Fifty-Five Hundred Dollars ($5,500) per month through November 30, 1998. If the rent is not paid by the fifth day of the month then there shall be a late charge of one hundred dollars ($100.00) per month. Rental shall be paid in advance on the first day of each month of this lease which monthly payments shall be in the sum of Five Thousand Dollars ($5,000) per month for the first year of the lease, and Fifty-Five Hundred Dollars ($5,500) thereafter.

Rent for Any Extended Lease Term

3.2 The rental for any extended term shall be the fair rental value of the leased premises at the beginning of any extended term giving effect to all relevant conditions then existing. After the giving of notice of intention to extend the lease, Lessor and Lessee shall enter into negotiations to determine the fair rental value for the extended term on the conditions set forth in this lease. If Lessor and Lessee cannot agree upon the rental by the date which is 90 days prior to the termination of the lease, the amount of such rent shall be determined by arbitration according to the laws of the State of Washington. The parties shall select an arbitrator who is a member of the American Institute of Real Estate Appraisers or a similar or successor organization and if the parties cannot so agree, then an arbitrator shall be appointed by the Presiding Judge of the King County Superior Court. The rental to be fixed shall be based upon the property as "free and clear to lease" but in no event shall be less than $5,500 per month. The expenses of any appraisal conducted in accordance with this lease shall be borne equally by the Lessor and Lessee.

ARTICLE IV
CONDUCT OF BUSINESS

Use of Premises

4.1 Lessor agrees that Lessee and those holding by, through and under Lessee may only use the Leased Premises for general car rental, leasing, sales, and for general administrative purposes connected with said business. Without limitations on the foregoing

RWS

2015 CITY CLERK

the Lessee shall not use the premises nor any part thereof for any trade, manufacture, occupation or any use which shall be unlawful or a nuisance or contrary to any law, ordinance, rule or regulation of public authority.

Liens or Encumbrances

4.2 Lessee shall keep the leased premises free and clear of any liens and encumbrances arising out of any work performed, materials furnished or obligations incurred by Lessee.

Compliance with Laws

4.3 Lessee shall comply with all municipal, county, state and federal ordinances or laws imposing restrictions or regulations on the leased premises and the use thereof.

ARTICLE V
UTILITIES, TAXES AND INSURANCE

Utility Charges

5.1 Lessee covenants and agrees to promptly pay prior to delinquency all charges for heat, light, sewer, water, Metro charges and all other public utilities which shall be used and/or charged against the leased premises during the term of this Lease.

Licenses and Taxes

5.2 Lessee shall be responsible for, and shall pay throughout the lease term, all license and excise fees and all occupation and personal property ad valorem taxes for the business conducted on the Leased Premises and property owned or being leased by Lessee. If any governmental authority or unit under any present or future law effective at any time during the term of this Lease shall in any manner levy a tax on rent payable under this Lease or rent accruing from use of property or a tax in any form against the Lessor because of or measured by income derived from the leasing or rental of such property, such tax shall be paid by Lessee, either directly or through Lessor, and for Lessee's default therein, Lessor shall have the same remedies as for failure to pay rent; provided, however, that Lessee shall not be liable to pay any net income tax or business and occupation tax imposed on Lessor.

Real Estate Taxes and Assessments

5.3 Real property taxes and personal property taxes and all assessments on the Leased Premises or contents thereof shall be the obligation of Lessee. This includes any obligation to the City of Seattle for street or other use purposes and in particular for using any alleys or easements. Lessor shall provide Lessee with copies of tax and assessment statements. Lessee agrees to pay to Lessor any taxes and assessments billed for the Leased Premises at least thirty (30) days before the due date. Such tax and/or assessment payment shall be deemed additional rent. Any such taxes and assessments payable during the year in

which this Lease commences or ends shall be prorated for the portion of the year the Leased Premises are under lease by Lessee. With respect to assessments which may be levied against or upon the Leased Premises, during the lease term, Lessee shall be required to pay each year only the amount of such annual installments as shall be payable during any year of the lease term (with appropriate proration for any partial year), and Lessee shall have no obligation to continue such payments after the termination of this Lease.

Property Insurance

5.5 Lessee at its expense and without cost to Lessor shall maintain during the term of this lease fire and extended insurance coverage with respect to all buildings, structures, and improvements including additions or enlargements, upon the Leased Premises or other property acquired insuring against loss or damage by fire or as otherwise provided in the insurance policies in an amount sufficient to prevent Lessor or Lessee from being a co-insurer of any partial loss under the applicable policies, which may be written on a replacement costs basis or blanket coverage subject to the ninety percent (90%) average clause and business interruption insurance guaranteeing the payment of rental for up to six months after an insured loss. Lessee shall provide copies of all insurance certificates required by this lease agreement to Lessor and shall provide proof of payment of premiums on an annual basis. All insurance maintained by Lessee pursuant to this paragraph 5.5 above shall name Lessor, Lessee, and any mortgagee, Deed of Trust Beneficiary, or contract vendor of the fee interest in the Leased Premises as insured's as their respective interests may appear, and shall include if reasonably attainable an effective waiver by the insurer of such insurance of all rights of subrogation against any named insured or such insured's interest in the Leased Premises. Provided that no cancellation, reduction in amount, or material change in coverage thereof shall be effective until at least fifteen (15) days after Lessors receipt of written notice thereof and said insurance shall be subject to approval by Lessor which approval will not be unreasonably withheld.

ARTICLE VI
CONDITION OF PREMISES AND ALTERATIONS

Alterations by Lessee

6.1 Lessee has examined the Leased Premises and any fixtures and equipment therein and accepts possession of the same in their present condition. Lessee shall not make any material alterations, additions or improvements in or to the Leased Premises, without the prior written consent of Lessor, which consent shall not be unreasonably withheld. Any alterations, additions, or improvements made by Lessee in the Leased Premises shall be at Lessee's sole expense. Lessee shall secure any and all governmental permits required in connection with any such work, and shall hold Lessor harmless from any and all liability and any and all liens resulting therefrom. With the exception of any moveable partitions which may be installed with Lessor's consent, all such alterations, additions and improvements shall become the property of the Lessor and shall remain in and be surrendered with the premises as a part thereof at the termination of this Lease, without disturbance or injury.

CITY CLERK

ARTICLE VII
CONDITION AND MAINTENANCE OF PREMISES

Condition of Premises

7.1 Lessee shall keep the Leased Premises neat, clean, and in a sanitary condition, to the satisfaction of the Board of Health and fire department of the jurisdiction in which the premises are located and its inspectors; and shall comply with each and all the statutes of the State of Washington and ordinances of the jurisdiction in which the premises are located now in force or hereafter enacted pertaining to the use and occupancy of Leased Premises by the Lessee and to keep the sidewalks and parking areas surrounding the same free and clear of ice and snow and all obstructions, according to the ordinances of said jurisdiction.

Maintenance and Repair

7.2 Lessee will be responsible for maintaining the roof, exterior walls and foundation of the buildings on the Leased Premises. The leased premises have been inspected by Lessee, including any fixtures and equipment and said premises are accepted by Lessee in their present condition. Lessee, at its sole cost and expense, shall keep the Leased Premises (including exterior doors and entrances, all windows, and moldings and trim of all doors and windows) and any partitions, door surfaces, fixtures, equipment, and appurtenances thereof (including lighting, heating and plumbing fixtures, and any air conditioning system) in good order, condition and repair, damage by unavoidable casualty excepted (but not excluding damage from burglary or attempted burglary of the Leased Premises). Without limiting the generalities thereof, Lessee shall keep the glass of all windows, doors and showcases clean and presentable; immediately replace all broken glass in the Leased Premises; make any necessary repairs to, or replacements of, all door closure apparatus and mechanisms; keep all plumbing clean and in a good state of repair; and keep all utilities within the Leased Premises in a good state of repair. Lessee shall carry and pay for a maintenance contract on any air conditioning equipment with a reputable firm providing such service.

Failure to Maintain

7.3 If Lessee fails to keep and preserve the Leased Premises, fixtures and equipment as set forth above, Lessor may, at its option, put or cause the same to be put into the condition and state of repair agreed upon, and in such case, Lessee shall pay the cost thereof, upon receipt of written statements from Lessor. Lessor shall have the right to enter the Leased Premises for the purpose of making such repairs upon Lessee's failure to do so.

No Repairs or Maintenance Required by Lessor Except as Specified

7.4 Lessor shall have no obligation to repair or maintain the Leased Premises or the buildings located thereon or the fixtures and equipment therein, whether structural or non-structural. Lessee waives the benefit of any statute now or hereinafter in effect which would otherwise afford Lessee the right to make repairs at Lessor's expense or to terminate

this Lease because of Lessor's failure to keep the Leased Premises in good order, condition and repair. Lessee has either inspected or has been afforded the opportunity to inspect all of the improvements, fixtures and equipment on the Leased Premises through an engineer of Lessee's choice, and accepts the Leased Premises and fixtures and equipment in their present condition "as is".

Surrender of Leased Premises

7.5 At the expiration or sooner termination of this Lease, Lessee shall return the Leased Premises, fixtures and equipment to Lessor in substantially the same condition in which received (or if altered by Lessor or by Lessee with Lessor's consent, then the Leased Premises, fixtures and equipment shall be returned in such altered condition), reasonable wear and tear and damage by fire or other casualty excepted. Lessee's obligation to perform this covenant shall survive the expiration or termination of this Lease.

ARTICLE VIII
INSURANCE AND INDEMNITY

Indemnification

8.1 Lessor shall not be liable for any injury to any person, or for any loss of or damage to any property (including property of Lessee) occurring in or about the Leased Premises from any cause whatsoever, unless caused by Lessor's sole negligence or willful misconduct. Lessee hereby indemnifies and holds Lessor harmless, and agrees to defend Lessor against all claims, charges, liabilities, obligations, penalties, damages, costs and expenses (including attorneys' fees) arising, claimed, charged or incurred against or by Lessor from any actual or alleged injury to any person or from any actual or alleged loss of or damage to any property caused by or resulting from any act or omission of Lessee or any officer, agent, employee, guest, invitee, or visitor of Lessee in or about the Leased Premises, except as occasioned by the sole negligence or willful misconduct of Lessor or Lessor's agent or employees. Without limiting the foregoing, Lessor and Lessor's agent shall not be liable for theft, or any damage, either to person or property, sustained by Lessee or others, caused by any defects now in the Leased Premises or hereafter occurring, becoming out of repair or caused by fire, or by the bursting or leaking of water, gas, sewer or steam pipes, or from any act or neglect of any persons or due to the happening of any accident from whatsoever cause in or about the Leased Premises.

Liability Insurance

8.2 Lessee shall, during the entire term of this Lease, keep in full force and effect a policy or policies of comprehensive general liability and property damage insurance with respect to the leased property, and the business operated thereon by the Lessee and any subleases or Lessee on the Leased Premises with combined single limit coverage for bodily injury and property damage, in an amount not less than One Million and Five Hundred and No/100 Dollars ($1,500,000.00). Lessor shall be named as one of the insured's and shall be furnished with a certificate of such insurance, which shall bear an endorsement that the same

RWS

SEAT CITY CLERK

shall not be canceled except upon not less than twenty (20) days prior written notice to Lessor. The insurance shall be with an insurance company or companies and in a form approved by Lessor which consent will not be unreasonably withheld. A copy of each policy or certificate of insurance shall be delivered to Lessor prior to commencement of the term.

Waiver of Subrogation

8.3 Lessor and Lessee hereby mutually release each other from liability and waive all rights of recovery against each other for any loss in or about the Leased Premises, from perils insured under their respective fire insurance contracts, including any extended coverage endorsements thereof, whether due to negligence or any other cause; provided, that this section shall be inapplicable if it would have the effect, but only to the extent that it would have the effect of invalidating any insurance coverage of Lessor or Lessee. If at any time this waiver of subrogation provision is unacceptable to the insurer of either party, that party shall immediately notify the other party of such information.

ARTICLE IX
ASSIGNMENT AND SUBLETTING

Assignment and Subletting

9.1 Lessee shall not assign or transfer this Lease or any interest therein or sublet the whole or any part of the Leased Premises, nor shall this Lease or any interest therein be assignable or transferable by operation of law or by any process or proceeding of any court, or otherwise, without the prior written consent of Lessor which consent shall not be unreasonably withheld.

ARTICLE X
DESTRUCTION OF LEASED PREMISES

Notice

10.1 In case the improvements on the leased premises are destroyed or damaged by fire, earthquake, or other casualty during the term of this Lease, Lessee shall give Lessor immediate written notice thereof.

Substantial or Partial Destruction

10.2 No Abatement of Rent or Termination by Reason of Damage or Destruction. In the event there is any destruction or damage to the property or the buildings and improvements from any cause whatsoever, the rent shall not be abated.

10.3 Loss or Damages. If at any time during the term of this lease, or any extension thereof, the building or any improvements on the property are damaged or destroyed from any cause whatsoever, Lessee shall promptly restore the building and/or any improvements thereon to their condition prior to their destruction or damage. Fire insurance

proceeds shall be paid to Lessor and Lessor shall pay to Lessee the proceeds thereof from time to time as the rebuilding work progresses for the costs of each rebuilding, repair or restoration. Disbursement shall be made upon written request of Lessee, accompanied by evidence satisfactory to Lessor that the amount requested has been paid or is then due and payable and is properly a part of such costs. In the event the insurance proceeds are not sufficient to completely rebuild the building(s) or improvements, Lessee shall make up any difference.

Provided, however, so long as any leading institution, its successors or assigns or any other party has an interest in the Leased Premises as the beneficiary of a deed of trust, vendor of a real estate contract or otherwise, any policy or policies provided for fire or other casualty insurance which Lessor or Lessee may be obligated to maintain may be deposited with and made payable to said lending institution as beneficiary of a deed of trust or vendor as their interests may appear under a standard mortgagee's clause provided that if there is no default in the payment of said lending institution's note or under the terms of its deed of trust, or payments to any vendor, any loss proceeds paid by the insurer to said lending institution shall thereupon be made available promptly for the repair of restoration of the Leased Premises upon presentation of material and labor bills for work completed, but only in the event the Lessee has confirmed to said lending institution the lease will continue in full force and effect upon completion of such repairs or restoration, which work shall be diligently pursued.

ARTICLE XI
EMINENT DOMAIN

Total Taking

11.1 If all of the Leased Premises are taken by eminent domain, this Lease shall terminate as of the date Lessee is required to vacate the Leased Premises, and all rent shall be paid to that date.

Partial Taking

11.2 If a taking of any part of the Leased Premises by eminent domain renders the Leased Premises unsuitable for the business of Lessee, then this Lease may, at the option of either party, be terminated as of the date when Lessee is required to vacate the portion of the Leased Premises so taken by written notice given to the other party not more than thirty (30) days after Lessor received notice of the taking, and if terminated, all rent shall be paid to the date of termination. Whenever any portion of the Leased Premises shall be taken by eminent domain, and this Lease is not terminated, Lessor shall, at its expense, proceed with all reasonable dispatch to do such work as may be required to restore the structure of the Leased Premises, or what remains thereof, as nearly as may be to the condition they were in immediately prior to such taking, and Lessee shall, at its expense, proceed with all reasonable dispatch to do such work to the fixtures, furniture, furnishings, floor covering and equipment as may be required to restore them as nearly as may be to the same condition they were in immediately prior to such taking. From the date Lessee is required to vacate that portion of

SEATTLE CITY CLERK

the Leased Premises taken, the minimum rent payable hereunder shall be reduced in the same proportion that the area taken bears to the overall area of the Leased Premises. The Lessor shall be entitled to receive the entire award in the condemnation proceedings. Lessee hereby specifically assigns to Lessor any and all right, title and interest which Lessee now has or may hereafter have in or to any such award or any part thereof, and Lessee shall be entitled to receive no part of such award.

ARTICLE XII
LESSEE'S DEFAULT

Default

12.1 Time is of the essence hereof. The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Lessee.

(a) Failure to Pay Rent. Lessee's failure to make any payment of minimum rent, additional rent, or any other sum to be paid by Lessee hereunder, as and when due, where such failure continues for a period of five (5) business days after written notice thereof by Lessor to Lessee.

(b) Failure to Perform. Lessee's failure to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Lessee (other than described in 12.1(b) above) where such failure continues for a period of ten (10) business days after written notice thereof by Lessor to Lessee.

Remedies

12.2 Following a default or breach by Lessee, without limiting Lessor in the exercise of a right or remedy Lessor may have under this Lease, at law or in equity, Lessor may, at its option, upon written notice to Lessee, declare Lessee's rights under this Lease terminated and re-enter the leased premises using such force as may be necessary and repossess itself thereof as of its former estate and remove all persons and property from the leased premises, and such property may be removed and stored in a public warehouse or elsewhere at the cost of, and for the account of Lessee, all without service of notice or resort to legal process, and without being deemed guilty of any trespass or becoming liable for any loss or damage caused thereby. Lessor may sell such personal property excluding automobiles in a commercially reasonable sale after such personal property has been stored for a period of thirty (30) days or more. Notwithstanding any such re-entry, the liability of Lessee for the rent provided for herein shall not be extinguished for the balance of the term of this Lease, and Lessee shall make good to Lessor any deficiency arising from receipt by Lessor of a lesser rent than provided for herein and from any commission cost of reletting.

Legal Expenses

12.3 If either party is required to bring any action or otherwise refer this Lease to an attorney for the enforcement of any of the covenants, terms and conditions of this Lease,

RKS

the prevailing or non-defaulting party shall, in addition to all other remedies provided herein, receive from the other party all the costs, including a reasonable attorneys' fee, incurred in the enforcement of the covenants, terms and conditions of this Lease (whether or not an action is instituted) and including any such costs and fees incurred by the prevailing party on any appeal.

Waiver

12.4 Neither the acceptance of rent, nor any other act or omission of Lessor at any time or times after the happening of any event authorizing the cancellation or forfeiture of this Lease shall operate as a waiver of any past or future violation, breach, or failure to keep or perform any covenant, agreement, term, or condition hereof or to deprive Lessor of its rights to cancel or forfeit this Lease, upon the written notice provided for herein, at any time that cause for cancellation or forfeiture may exist or be construed so as to at any future time estop Lessor from properly exercising any other option, right, or remedy that it may have under any term or provision of this Lease, at law or in equity.

ARTICLE XIII
ACCESS BY LESSOR AND OTHERS

Right of Entry

13.1 Lessor or Lessor's agents during business hours on forty-eight (48) hours notice shall have the right to enter the Leased Premises at reasonable business hours to examine the same, including fixtures and equipment, and to show them to prospective purchasers or lessees of the building, and to make such repairs, alterations, improvements, or additions as Lessor may deem desirable. If Lessee is not personally present to permit entry and an entry is necessary or permissible, Lessor may enter the same by a master key or may forcibly enter the same, without rendering Lessor liable therefor. Nothing contained herein shall be construed to impose upon Lessor any duty of repair of the building except as otherwise specifically provided for herein. This paragraph does not restrict Lessors right under paragraph 1.2.

Inspections

13.2 Lessee shall permit access to the Leased Premises for all such inspections as may be required by law, and Lessee shall, during the term of this Lease, pay all fees due the city, county, state or federal government on account of any inspection made on said leased premises by any officer or agent of said city, county, state or federal government, which inspections are in relation to the use and occupancy of said premises by the Lessee or the conduct of the business of the Lessee therein.

RCS

THIS CITY CLERK

ARTICLE XIV
SURRENDER OF PREMISES

Surrender of Possession

14.1 Lessee covenants and agrees to promptly yield and deliver to Lessor possession of the Leased Premises, including the fixtures and equipment described above, without notice at the expiration date or at any prior termination date. The Leased Premises, including the above-described fixtures and equipment, shall be in the same condition as when first obtained by Lessee, reasonable wear and tear and damage by insurable risks excepted. Lessee further agrees to remove all of its personal property from said premises, to clean the premises and to deliver to Lessor all keys to the Leased Premises at the expiration of the term or sooner termination date.

Holding Over

14.2 Any holding over by Lessee after the expiration of the term hereof, with Lessor's consent, shall be construed to be a tenancy from month to month at the rent provided for during the final month of the initial term of this Lease, and on all of the terms and conditions set forth, so far as is consistent with such month to month tenancy.

ARTICLE XV
QUIET ENJOYMENT

Lessor's Covenant

15.1 Lessee, upon fully complying with and promptly performing all of the terms, covenants, and conditions of this Lease on its part to be performed, shall have and quietly enjoy the Leased Premises for the term set forth herein.

ARTICLE XVI
MISCELLANEOUS

Notices

17.1 Except as may otherwise be provided herein, any notices required in accordance with any of the provisions herein shall be sent by registered or certified mail addressed to Lessor at 1830 Broadmoor Drive, Seattle, WA 98112, or at such other place as Lessor may in writing direct; and addressed to Lessee at 11961 - 124th Avenue N.E., Kirkland, WA 98034; or at such other place as Lessee may in writing direct.

Successors and Assigns

17.2 All the terms, conditions, covenants and agreements of this Lease shall extend to and be binding upon Lessor, Lessee, and their respective heirs, administrators, executors, successors and assigns, and upon any person or persons coming into ownership or possession

RCW

of any interest in the Leased Premises by operation of law or otherwise, and shall be construed as covenants running with the land.

Insolvency

17.3 If Lessee becomes insolvent, voluntarily or involuntarily bankrupt, or if a receiver, assignee or other liquidating officer is appointed for the business of Lessee, then Lessor shall have the right to cancel this Lease.

Entire Agreement

17.4 This Lease and any exhibits or attachments hereto and forming a part hereof set forth the entire agreement of Lessor and Lessee concerning the Leased Premises, and there are no other agreements or understandings, oral or written, between Lessor and Lessee. Any subsequent modification of this Lease shall be binding upon Lessor and Lessee only if reduced to writing and signed by them.

Broker's Commission

17.5 Each of the parties represents and warrants that there are no claims for brokerage commissions or finders fees in connection with the execution of this Lease and each of the parties agrees to indemnify the other against, and hold it harmless from, all liabilities arising from any such claim (including, without limitation, the cost of attorney's fees in connection therewith).

Partial Invalidity

17.6 . If any term, covenant or condition of this Lease or the application thereof to any person or circumstances is, to any extent, invalid or unenforceable, the remainder of this Lease, and the application of the term, covenant, or condition to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

Signs

17.7 At the termination of this Lease, all such signs, symbols and advertising matter attached to or painted by Lessee upon the premises with the consent of Lessor, whether on the exterior or interior thereof, shall be removed by Lessee at its own expense. Lessee shall repair any damage or injury to the premises and correct any unsightly condition caused by the maintenance or removal of any such sign.

Subordination/Nondisturbance

17.8 Lessee agrees that this Lease shall be subordinate to any mortgage or trust deed that may be existing or hereafter placed on the real property of which Leased Premise

RCS

THIS CITY CLERK

are a part, and to any and all renewals, replacements and extensions thereof. Any security agreement shall either be subject to the terms and conditions of this Lease and the rights hereunder granted to Lessee, or such security instrument shall be prior to this Lease, provided the Mortgagee gives to Lessee a nondisturbance and attornment agreement. The nondisturbance and attornment agreement shall (i) recognize the lease of Lessee; and (ii) provide in the event of foreclosure or other realization proceedings under the security instrument, the Mortgagee or any successor to Lessor through such realization proceeding, will, as of the date of the Mortgagee or such successor acquires the Lessor's interest in the Leased Premises or otherwise gains control of the Lessor's interest be obligated to Lessee to keep and perform all of the obligations of the Lessor under this Lease, or as amended, provided Lessee is not in default in any condition of the Lease.

Covenants Running With the Land

17.9 All the covenants, agreements, conditions and undertakings in this Lease shall extend and inure to and be binding upon the heirs, executors, administrators, distributees, lessees, successors, and assigns of each of the parties hereto, the same as if they were in every case named and expressed, and same shall be construed as covenants running with the land. Wherever in this Lease reference is made to any of the parties hereto, it shall be held to also include and apply to, whenever applicable, the heirs, executors, administrators, distributees, lessees, successors and assigns of each such party, the same as if in each and every case so expressed.

Absence of Partnership

17.10 Nothing contained in this Lease shall create a partnership or joint venture as between Lessor and Lessee or render Lessor or Lessee in any way responsible for the debts of the other, it being the express intention that the relationship of the parties hereto shall at all times be that of Lessor and Lessee.

Hazardous Substances

17.11 Lessor will hold Lessee harmless from and indemnify and defend Lessee against and from any damage, loss, expense or liability, including any attorneys' fees and costs incurred as a result thereof, resulting from any prior use of the Leased Premises involving "hazardous substances" prior to Lessee's occupation of the Leased Premises. "Hazardous substances" shall be interpreted broadly to mean any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous or toxic or radio active substance, or other similar term by any federal, state or local environmental law, regulation or rule presently in affect or promulgated in the future, as such laws, regulations or rules may be amended from time to time, and it shall be interpreted to include any other substance which after release into the environment and upon exposure, ingestion, inhalation or assimilation, either directly from the environment or directly by ingestion through food or otherwise, will, may or reasonably be anticipated to cause sickness, death, disease, behavior abnormalities, cancer or genetic abnormalities. Likewise, Lessee will hold Lessor harmless from and indemnify and defend Lessor against and from any damage, loss, expense or liability,

RAS

including any attorneys' fees and costs incurred as a result thereof, resulting from any use of the Leased Premises involving "hazardous substances" during Lessees occupation of the Leased Premises.

Termination of Lease by Lessor

17.12 Lessor may terminate this lease in the event:

(a) Lessor has a bona fide sale of the leased premises to a person or entity who intends to erect upon the leased premises and adjacent property a major improvement after the demolition of any building(s) on the leased premises. Said major improvement to be a multi-story structure and may include a hotel, a store, a warehouse, or office building.

(b) Lessor undertakes a major improvement on the leased premises in conjunction with adjacent property owners wherein the building(s) on the leased premises are destroyed. A major improvement is as described immediately above. Lessor may qualify as undertaking a major improvement if Lessor is an investor, lessor, limited partner, shareholder, or participates in any other business way wherein the leased premises owned by Lessor are part of the major improvement.

Upon giving the notice of intention to terminate the lease, the term thereof shall cease, be terminated and end at the expiration of one year from the day when such notice has been mailed. After said date the Lessor may take possession of the leased premises, and every part thereof, and have and enjoy the said premises as his former estate, free, clear and discharged of this lease, and of all rights of the Lessee or any assignee hereunder.

Lessor will reimburse Lessee on the termination date of the lease and after Lessee has vacated the leased premises for the amount of any unamortized improvements on the leased premises for improvements made prior to the notice of termination. The dollar amount of unamortized leasehold improvements shall be measured by Lessee's federal income tax return and shall be prorated for any year.

IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year first above set forth.

LESSOR:

Howard K. Anderson

Dorcas A. Anderson

Dorcas Anderson

RCW

SEATTLE CITY CLERK

LESSEE:

ENTERPRISE LEASING COMPANY, d/b/a
ENTERPRISE RENT-A-CAR,
a Washington corporation

By _____
Richard C. Goodman, Vice President
and General Manager

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this 6 day of April, 1993, personally appeared before me Howard K. and Dorcas Anderson, to me known to be the Lessors, and acknowledged that they acknowledged said instrument as their free and voluntary act and deed, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.

_____
NOTARY PUBLIC in and for the State of
Washington, residing at Bothell
My commission expires August 29, 1996

JUNE MEEHAN
COMMISSION EXPIRES
NOTARY
PUBLIC
AUGUST 29, 1996
STATE OF WASHINGTON

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this 6 day of April, 1993, personally appeared before me Richard C. Goodman, to me known to be the Vice President and General Manager of Enterprise Leasing Company, d/b/a Enterprise Rent-A-Car, the 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 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.

_____
NOTARY PUBLIC in and for the State of
Washington, residing at Bothell
My commission expires August 29, 1996

JUNE MEEHAN
COMMISSION EXPIRES
NOTARY
PUBLIC
AUGUST 29, 1996
STATE OF WASHINGTON

Attachment 1

12/02/03

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Howard Anderson
1830 Broadmoor Drive
Seattle, WA 98112

Re: NOTICE OF EXERCISE OF LEASE RENEWAL OPTION
Enterprise Rent-A-Car
2116 Westlake Ave

Dear Howard Anderson:

The undersigned is a tenant at the above location under that certain Lease dated April 6th, 1993. Pursuant to the terms of the Lease, we hereby exercise our second five (5) year option to renew such that the term of our Lease shall now expire on November 30th, 2008. In addition Leasee, shall be granted one (1) additional five (5) year option.

Rent for the above exercised option shall be as follows:

12/1/2003-11/30/2004	$8,000.00
12/1/2004-11/30/2005	$8,000.00
12/1/2005-11/30/2006	$8,500.00
12/1/2006-11/30/2007	$8,500.00
12/1/2007-11/30/2008	$8,500.00

Rent for the remaining options shall be bound by Article 3.2 of the Lease.

Thank you for the courtesies extended to us during our tenancy and we look forward to a continued successful business relationship.

Very truly yours,

Enterprise Leasing Company A Washington State Corporation, d/b/a Enterprise Rent-A-Car

By: Richard G Thrasher
Name: Richard G Thrasher
Title: Vice President General Manager

EDS CITY CLERK

Receipt acknowledged this ____ day of _____, 20__.

Howard Anderson

By: _____
Name: HOWARD ANDERSON
Title: PAST.

Attachment 1

LEASE AMENDMENT

This Lease Amendment is entered into the 2nd day of August, 2005 by and between Howard Anderson ("Lessor") and Enterprise Leasing Company, A Washington Corporation ("Lessee").

RECITALS

WHEREAS, Lessor and Lessee entered into a Lease dated April 6th, 1993 for the "Premises" described in the Lease Agreement located at 2116 Westlake Ave, Washington, 98112; and

WHEREAS, Lessor and Lessee wish to agree to modify and amend the Lease.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Lessor and Lessee, and in consideration of the covenants and agreements provided in said Lease, Lessor and Lessee agree as follows:

1. Renewal Option. Lessee shall be granted one (1) additional five (5) year option. This additional option will now grant the Lessee a total of two (2), five (5) year options available for the Lessee to exercise. Such extended terms shall be upon the same terms and conditions as during the term hereof. If Lessee fails to exercise its options within the time period as specified in the Lease, Lessor shall so notify Lessee and Lessee shall have seven (7) business days thereafter within which to exercise the option.

2. Rent. The minimum rent for the premises payable in advance for each month for the renewal options mentioned above, shall be set forth in the Rent schedule below:

Minimum Rent Schedule:

12/1/2008-11/30/2013	$9,350.00
12/1/2013-11/30/2018	$10,285.00

3. Except as expressly modified hereby, all other terms and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed this fourth Addendum as of the day and year first set forth above.

LESSOR

Howard Anderson
Owner

LESSEE
Enterprise Leasing Company, a Washington Corporation

By: _____
Craig Anderson
Regional Vice President

DHS CITY CLERK

Attachment 1

enterprise

Rent-A-Car Division
1119 S.W. 7th Street
Renton, WA 98057

March 20th, 2008

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Cornish College of the Arts
1000 Lenora
Seattle, WA 98121
Attn: Vick Clayton

Re: NOTICE OF EXERCISE OF LEASE RENEWAL OPTION
Enterprise Rent-A-Car
2116 Westlake Ave, Seattle, WA 98121

Dear Vicki Clayton:

The undersigned is a tenant at the above location under that certain Lease dated April 6th, 1993. Pursuant to the terms of the Lease, we hereby exercise our third, five (5) year option to renew such that the term of our Lease shall now expire on November 30th, 2013.

While not a condition to the effectiveness of this Notice, we request that you acknowledge receipt of this letter by signing and returning to the undersigned the enclosed counterpart of this letter.

Thank you for the courtesies extended to us during our tenancy and we look forward to a continued successful business relationship.

Very truly yours,

Enterprise Leasing Company, a Washington State Corporation, d/b/a Enterprise Rent-A-Car

By: Richard G. Thrasher
Name: Richard G. Thrasher
Title: Vice President/General Manager

Receipt acknowledged this 14 day of April 2008

By: JPC

Name: _____

Title: _____

Attachment 1
Schedule B

LEGAL DESCRIPTION OF PREMISES
(CITY PROPERTY AND CORNISH PROPERTY)

City Property:

That portion of Lots 1, 2, and 3, Block 24, Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's 2nd Addition to the City of Seattle), according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington, lying easterly of and excepting therefrom that portion condemned in King County Superior Court Cause Number 36118 for Westlake Avenue, as provided by Ordinance Number 7733 of the City of Seattle.

Cornish Property:

That portion of Lot 10, Block 24, Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's 2nd Addition to the City of Seattle), according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington, lying easterly of and excepting therefrom that portion condemned in King County Superior Court Cause Number 36118 for Westlake Avenue, as provided by Ordinance Number 7733 of the City of Seattle

CITY CLERK

Attachment 1
Schedule C
LETTER AGREEMENT BETWEEN CORNISH AND TENANT

To be provided by Cornish

Attachment 1

EXHIBIT E

TENANT CERTIFICATE
(pages 66-94 of this Agreement)

2015 CITY CLERK

Attachment 1

TENANT ESTOPPEL CERTIFICATE AND AGREEMENT

To: The City of Seattle
c/o Department of Parks and Recreation
800 Maynard Avenue South, 3rd Floor
Seattle, WA 98134

Re: Lease dated April 6, 1993 as amended by letter dated December 2, 2003 and lease amendment dated August 2, 2005 (collectively "Lease") between Cornish College of the Arts, as successor in interest to Howard K. Anderson and Dorcas Anderson ("Lessor"), and Enterprise Leasing Company dba Enterprise Rent-A-Car ("Tenant") of premises located at 2116 Westlake Avenue, Seattle, Washington 98112

Ladies and Gentlemen:

We understand that Cornish College of the Arts ("Cornish"), the successor to Lessor under the above-described Lease, intends to sell to the City of Seattle ("City") a portion of the real property that is currently leased to Tenant. The portion to be acquired by the City is legally described on Attachment 1 attached hereto and incorporated herein ("City Property"). We understand that the City intends to purchase the City Property subject to the Lease and that City intends to accept a partial assignment of the Lessor's interest in the Lease at closing. We further understand that as a condition to closing, the City requires certain representations, warranties, assurances and agreements from Tenant. We hereby warrant to you and agree with you as follows:

1. The Lease is in full force and effect, has not been modified or amended and is enforceable in accordance with its terms. A true and complete copy of the Lease is attached hereto as Attachment 2.

2. The legal description of the real property leased by Tenant under the Lease is attached hereto as Attachment 3 ("Premises").

3. The term of the Lease commenced on December 1, 1993, and expires on November 30, 2008. As of the date hereof Tenant is in possession of the Premises in accordance with the terms of the Lease. Tenant has no rights of renewals or other options

respecting the Premises except as stated in the lease amendment dated August 2, 2005, which provides for two five-year renewal options that, if exercised, will extend the term of the Lease until November 30, 2018, unless the Lease is sooner terminated.

4. Cornish and Tenant have entered into a letter agreement (a copy of which has been provided to the City) wherein Tenant has agreed that Cornish's current development plans for the Premises satisfy the Lease termination provisions of Section 17.12(b) and that the Lease may be terminated pursuant to such letter and the terms of Section 17.12.(b).

5. Tenant has not assigned, transferred, or encumbered all or any portion of its interest in the Lease. Tenant has not sublet the Premises, or any portion thereof.

6. Tenant is not in default in the performance of any term or provision of the Lease to be performed by Tenant. No condition exists that, with the passage of time or the giving of notice, would constitute a default if not cured within any applicable cure period.

7. Cornish is not in default in the performance of any term or provision of the Lease to be performed by Cornish. No condition exists that, with the passage of time or the giving of notice, would constitute a default if not cured within any applicable cure period.

8. On the date of Cornish's acquisition of the Premises, Lessor was not in default in the performance of any term or provision of the Lease to be performed by Lessor. Tenant has no claims against Lessor with respect to the Lease or the Premises, and Tenant hereby acknowledges and agrees that Cornish and the City have no liability to Tenant, and Tenant hereby releases Cornish and the City, for any acts or omissions of Lessor with respect to the Lease or the Premises.

9. Neither Cornish nor Lessor, the predecessor in interest to Cornish, has waived the performance or observance by Tenant of any of the terms, covenants or conditions to be performed or observed by Tenant under the Lease, and Tenant has not waived the performance or observance by Lessor or Cornish of any of the terms, covenants or conditions to be performed or observed by the lessor under the Lease.

10. Tenant has received no notice and has no knowledge of a prior sale, transfer, assignment, hypothecation, or pledge of the

BDS CITY CLERK

Premises, or any part thereof, or of the Lease, or the rents or any other interest thereunder.

11. Tenant has never permitted, and will not permit, the generation, treatment, storage or disposal of any hazardous waste or other hazardous or toxic substances, as those terms are used under applicable local, state and federal environmental laws and regulations, and including petroleum products, on the Premises or any adjacent property except as disclosed in the Hazardous Materials List attached hereto as Attachment 4, all of which hazardous waste or other hazardous or toxic substances have been or will be used, stored, handled and disposed of (where applicable) in compliance with all applicable laws and regulations and prudent industry practices.

12. The current rent under the Lease is Eight Thousand Five Hundred Dollars ($8500) per month. No rent or other sum payable by Tenant under the Lease has been prepaid. As of the date hereof, there is no offset or defense to the payment of any rent, additional rent, or other sums payable under the Lease.

13. The annual real property taxes for the City Property, which Tenant is required to pay under the terms of the Lease, are Twenty-six Thousand Nine Hundred Seventy-four and 35/100 Dollars ($26,974.35) for 2008. Tenant understands that the City Property will be exempt from general real property taxes (but not special district charges, including, without limitation, surface water and noxious weed charges) upon City acquisition of the City Property, but that pursuant to RCW Chapter 82.29A, Tenant is required to pay leasehold excise tax in lieu of general real property taxes with respect to rent for the City Property. Tenant acknowledges that it has agreed to pay such a tax pursuant to Section 5.2 of the Lease. In addition, Tenant will continue to be responsible for payment of special district charges for the City Property, which Tenant shall pay on a semi-annual basis on or prior to the payment due dates.

14. Tenant agrees to make payments of the leasehold excise tax owed with respect to the rent for the City Property, on a monthly basis along with Tenant's rent payment. Rent allocable to the City Property is 55% of the total rent, or currently Four Thousand Eight Hundred Seventy-five and 00/100 Dollars ($4875.00) per month. The real estate excise tax is twelve and 84/100 percent (12.84%) of the rent for the City Property, or currently Six Hundred Twenty-five and 95/100 Dollars ($625.95) per month. Upon written notice to Tenant that the City has acquired the City Property until further written notice from the City, Tenant shall make payments of rent and of leasehold excise tax directly to

Cornish. Tenant shall pay rent for the City Property along with leasehold excise tax directly to the City upon receipt of written notice from the City to do so.

15. Effective as of the date of closing of the City's acquisition of the City Property, Tenant shall add the City to its policies of insurance, as required by Sections 5.5 and 8.2 of the Lease, and shall provide to the City evidence of payment, waivers and copies of all insurance certificates as required by the Lease. In addition, with respect to the insurance required under Section 8.2 of the Lease, Tenant agrees to cause its insurer to name the City as one of the insureds for primary and noncontributory limits of liability.

16. Tenant's address for notice is:

_____
_____
_____
_____
_____

17. Tenant agrees to notify the City in writing of any default under the Lease and any change of circumstance that affects the accuracy of the warranties made by Tenant. The City's address for notice is:

Seattle Department of Parks and Recreations
800 Maynard Avenue South
Third Floor
Seattle, WA 98134
ATTN: Property Management

18. Tenant represents and warrants that it is a corporation duly organized and in good standing under the laws of the state of Washington, and that this Tenant Estoppel

2015 CITY CLERK

Certificate and Agreement has been duly authorized, executed and delivered on behalf of Tenant.

This letter shall inure to the benefit of, and may be relied upon by the City, its successors and assigns.

TENANT:

Enterprise Leasing Company dba Enterprise Rent-A-Car

By:_____

Name:_____

Title:_____

Dated:_____

Attachments:

1. Legal Description of City Property
2. Copy of the Lease
3. Legal Description of the Premises
4. Hazardous Materials List

Attachment 1

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this _____ day of _____, 2008, before me the undersigned, a Notary Public in and for the State of _____, duly commissioned and sworn, personally appeared _____, to me known to be the _____ of _____, the corporation that executed the foregoing instrument and acknowledged the 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 the said instrument.

Date: _____

_____
NOTARY PUBLIC in and for the State of Washington residing at _____
My commission expires: _____
PRINT NAME: _____

Use this space for Notary Seal/Stamp

CITY CLERK

Attachment 1
Attachment 1

Legal Description of City Property

That portion of Lots 1, 2, and 3, Block 24, Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's 2nd Addition to the City of Seattle), according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington, lying easterly of and excepting thereof that portion condemned in King County Superior Court Cause Number 36118 for Westlake Avenue, as provided by Ordinance Number 7733 of the City of Seattle.

Attachment 1
Attachment 2

Copy of Lease

CITY CLERK

COPY

COMMERCIAL LEASE

THIS LEASE, made and entered into this 6th day of April, 1993, by and between HOWARD K. ANDERSON and DORCAS ANDERSON, husband and wife ("Lessor") and ENTERPRISE LEASING COMPANY, d/b/a ENTERPRISE RENT-A-CAR, a Washington corporation, ("Lessee").

WITNESSETH:

In consideration of the mutual promises, covenants and conditions hereinafter set forth, the parties hereby agree as follows:

ARTICLE I
LEASED PREMISES

Leased Real Property

1.1 Lessor hereby leases to Lessee, and Lessee hereby hires from the Lessor those certain commercial buildings and office space in Seattle, King County Washington, illustrated in Exhibit A attached hereto and located on property legally described in Exhibit B attached hereto, which exhibits are incorporated by reference (said property hereinafter referred to as the Leased Premises).

Signs

1.2 Lessee shall obtain all requisite governmental permits to affix any signs to the exterior of the Leased Premises. All signs of Lessee shall be subject to the prior written approval of Lessor, which approval shall not be unreasonably withheld.

ARTICLE II
TERM

Term/Options to Renew/Termination

2.1 Term.

The term of this Lease shall be for a period of five (5) years commencing on the 1st day of December, 1993, and ending at 11:59 p.m. on the 30th day of November, 1998.

2.2 Options to Renew.

Lessee shall have the option to extend this lease for two additional terms of five years each upon the same terms and conditions as contained in this lease except as to rent. To exercise any such options, Lessee shall give written notice of intention to do so to

RAD

the Lessor not less than six months before the termination date of the then current lease term or extended term. Lessee's right to renew this lease is conditioned upon Lessee having performed all conditions and covenants on its part to be performed at the end of the then-current lease term or the extended term.

2.3 Termination of Lease by Lessor.

Lessor may terminate this lease pursuant to paragraph 17.12.

ARTICLE III
RENT

Rent for First Five-Year Term

3.1 Lessee will pay to Lessor a rental of Five Thousand Dollars ($5,000) per month commencing December 1, 1993 for the first year, thereafter rental will by Fifty-Five Hundred Dollars ($5,500) per month through November 30, 1998. If the rent is not paid by the fifth day of the month then there shall be a late charge of one hundred dollars ($100.00) per month. Rental shall be paid in advance on the first day of each month of this lease which monthly payments shall be in the sum of Five Thousand Dollars ($5,000) per month for the first year of the lease, and Fifty-Five Hundred Dollars ($5,500) thereafter.

Rent for Any Extended Lease Term

3.2 The rental for any extended term shall be the fair rental value of the leased premises at the beginning of any extended term giving effect to all relevant conditions then existing. After the giving of notice of intention to extend the lease, Lessor and Lessee shall enter into negotiations to determine the fair rental value for the extended term on the conditions set forth in this lease. If Lessor and Lessee cannot agree upon the rental by the date which is 90 days prior to the termination of the lease, the amount of such rent shall be determined by arbitration according to the laws of the State of Washington. The parties shall select an arbitrator who is a member of the American Institute of Real Estate Appraisers or a similar or successor organization and if the parties cannot so agree, then an arbitrator shall be appointed by the Presiding Judge of the King County Superior Court. The rental to be fixed shall be based upon the property as "free and clear to lease" but in no event shall be less than $5,500 per month. The expenses of any appraisal conducted in accordance with this lease shall be borne equally by the Lessor and Lessee.

ARTICLE IV
CONDUCT OF BUSINESS

Use of Premises

4.1 Lessor agrees that Lessee and those holding by, through and under Lessee may only use the Leased Premises for general car rental, leasing, sales, and for general administrative purposes connected with said business. Without limitations on the foregoing

RCW

DHS CITY CLERK

the Lessee shall not use the premises nor any part thereof for any trade, manufacture, occupation or any use which shall be unlawful or a nuisance or contrary to any law, ordinance, rule or regulation of public authority.

Liens or Encumbrances

4.2 Lessee shall keep the leased premises free and clear of any liens and encumbrances arising out of any work performed, materials furnished or obligations incurred by Lessee.

Compliance with Laws

4.3 Lessee shall comply with all municipal, county, state and federal ordinances or laws imposing restrictions or regulations on the leased premises and the use thereof.

ARTICLE V
UTILITIES, TAXES AND INSURANCE

Utility Charges

5.1 Lessee covenants and agrees to promptly pay prior to delinquency all charges for heat, light, sewer, water, Metro charges and all other public utilities which shall be used and/or charged against the leased premises during the term of this Lease.

Licenses and Taxes

5.2 Lessee shall be responsible for, and shall pay throughout the lease term, all license and excise fees and all occupation and personal property ad valorem taxes for the business conducted on the Leased Premises and property owned or being leased by Lessee. If any governmental authority or unit under any present or future law effective at any time during the term of this Lease shall in any manner levy a tax on rent payable under this Lease or rent accruing from use of property or a tax in any form against the Lessor because of or measured by income derived from the leasing or rental of such property, such tax shall be paid by Lessee, either directly or through Lessor, and for Lessee's default therein, Lessor shall have the same remedies as for failure to pay rent; provided, however, that Lessee shall not be liable to pay any net income tax or business and occupation tax imposed on Lessor.

Real Estate Taxes and Assessments

5.3 Real property taxes and personal property taxes and all assessments on the Leased Premises or contents thereof shall be the obligation of Lessee. This includes any obligation to the City of Seattle for street or other use purposes and in particular for using any alleys or easements. Lessor shall provide Lessee with copies of tax and assessment statements. Lessee agrees to pay to Lessor any taxes and assessments billed for the Leased Premises at least thirty (30) days before the due date. Such tax and/or assessment payment shall be deemed additional rent. Any such taxes and assessments payable during the year in

which this Lease commences or ends shall be prorated for the portion of the year the Leased Premises are under lease by Lessee. With respect to assessments which may be levied against or upon the Leased Premises, during the lease term, Lessee shall be required to pay each year only the amount of such annual installments as shall be payable during any year of the lease term (with appropriate proration for any partial year), and Lessee shall have no obligation to continue such payments after the termination of this Lease.

Property Insurance

5.5 Lessee at its expense and without cost to Lessor shall maintain during the term of this lease fire and extended insurance coverage with respect to all buildings, structures, and improvements including additions or enlargements, upon the Leased Premises or other property acquired insuring against loss or damage by fire or as otherwise provided in the insurance policies in an amount sufficient to prevent Lessor or Lessee from being a co-insurer of any partial loss under the applicable policies, which may be written on a replacement costs basis or blanket coverage subject to the ninety percent (90%) average clause and business interruption insurance guaranteeing the payment of rental for up to six months after an insured loss. Lessee shall provide copies of all insurance certificates required by this lease agreement to Lessor and shall provide proof of payment of premiums on an annual basis. All insurance maintained by Lessee pursuant to this paragraph 5.5 above shall name Lessor, Lessee, and any mortgagee, Deed of Trust Beneficiary, or contract vendor of the fee interest in the Leased Premises as insured's as their respective interests may appear, and shall include if reasonably attainable an effective waiver by the insurer of such insurance of all rights of subrogation against any named insured or such insured's interest in the Leased Premises. Provided that no cancellation, reduction in amount, or material change in coverage thereof shall be effective until at least fifteen (15) days after Lessors receipt of written notice thereof and said insurance shall be subject to approval by Lessor which approval will not be unreasonably withheld.

ARTICLE VI
CONDITION OF PREMISES AND ALTERATIONS

Alterations by Lessee

6.1 Lessee has examined the Leased Premises and any fixtures and equipment therein and accepts possession of the same in their present condition. Lessee shall not make any material alterations, additions or improvements in or to the Leased Premises, without the prior written consent of Lessor, which consent shall not be unreasonably withheld. Any alterations, additions, or improvements made by Lessee in the Leased Premises shall be at Lessee's sole expense. Lessee shall secure any and all governmental permits required in connection with any such work, and shall hold Lessor harmless from any and all liability and any and all liens resulting therefrom. With the exception of any moveable partitions which may be installed with Lessor's consent, all such alterations, additions and improvements shall become the property of the Lessor and shall remain in and be surrendered with the premises as a part thereof at the termination of this Lease, without disturbance or injury.

RW

2015 CITY CLERK

ARTICLE VII
CONDITION AND MAINTENANCE OF PREMISES

Condition of Premises

7.1 Lessee shall keep the Leased Premises neat, clean, and in a sanitary condition, to the satisfaction of the Board of Health and fire department of the jurisdiction in which the premises are located and its inspectors; and shall comply with each and all the statutes of the State of Washington and ordinances of the jurisdiction in which the premises are located now in force or hereafter enacted pertaining to the use and occupancy of Leased Premises by the Lessee and to keep the sidewalks and parking areas surrounding the same free and clear of ice and snow and all obstructions, according to the ordinances of said jurisdiction.

Maintenance and Repair

7.2 Lessee will be responsible for maintaining the roof, exterior walls and foundation of the buildings on the Leased Premises. The leased premises have been inspected by Lessee, including any fixtures and equipment and said premises are accepted by Lessee in their present condition. Lessee, at its sole cost and expense, shall keep the Leased Premises (including exterior doors and entrances, all windows, and moldings and trim of all doors and windows) and any partitions, door surfaces, fixtures, equipment, and appurtenances thereof (including lighting, heating and plumbing fixtures, and any air conditioning system) in good order, condition and repair, damage by unavoidable casualty excepted (but not excluding damage from burglary or attempted burglary of the Leased Premises). Without limiting the generalities thereof, Lessee shall keep the glass of all windows, doors and showcases clean and presentable; immediately replace all broken glass in the Leased Premises; make any necessary repairs to, or replacements of, all door closure apparatus and mechanisms; keep all plumbing clean and in a good state of repair; and keep all utilities within the Leased Premises in a good state of repair. Lessee shall carry and pay for a maintenance contract on any air conditioning equipment with a reputable firm providing such service.

Failure to Maintain

7.3 If Lessee fails to keep and preserve the Leased Premises, fixtures and equipment as set forth above, Lessor may, at its option, put or cause the same to be put into the condition and state of repair agreed upon, and in such case, Lessee shall pay the cost thereof, upon receipt of written statements from Lessor. Lessor shall have the right to enter the Leased Premises for the purpose of making such repairs upon Lessee's failure to do so.

No Repairs or Maintenance Required by Lessor Except as Specified

7.4 Lessor shall have no obligation to repair or maintain the Leased Premises or the buildings located thereon or the fixtures and equipment therein, whether structural or non-structural. Lessee waives the benefit of any statute now or hereinafter in effect which would otherwise afford Lessee the right to make repairs at Lessor's expense or to terminate

this Lease because of Lessor's failure to keep the Leased Premises in good order, condition and repair. Lessee has either inspected or has been afforded the opportunity to inspect all of the improvements, fixtures and equipment on the Leased Premises through an engineer of Lessee's choice, and accepts the Leased Premises and fixtures and equipment in their present condition "as is".

Surrender of Leased Premises

7.5 At the expiration or sooner termination of this Lease, Lessee shall return the Leased Premises, fixtures and equipment to Lessor in substantially the same condition in which received (or if altered by Lessor or by Lessee with Lessor's consent, then the Leased Premises, fixtures and equipment shall be returned in such altered condition), reasonable wear and tear and damage by fire or other casualty excepted. Lessee's obligation to perform this covenant shall survive the expiration or termination of this Lease.

ARTICLE VIII
INSURANCE AND INDEMNITY

Indemnification

8.1 Lessor shall not be liable for any injury to any person, or for any loss of or damage to any property (including property of Lessee) occurring in or about the Leased Premises from any cause whatsoever, unless caused by Lessor's sole negligence or willful misconduct. Lessee hereby indemnifies and holds Lessor harmless, and agrees to defend Lessor against all claims, charges, liabilities, obligations, penalties, damages, costs and expenses (including attorneys' fees) arising, claimed, charged or incurred against or by Lessor from any actual or alleged injury to any person or from any actual or alleged loss of or damage to any property caused by or resulting from any act or omission of Lessee or any officer, agent, employee, guest, invitee, or visitor of Lessee in or about the Leased Premises, except as occasioned by the sole negligence or willful misconduct of Lessor or Lessor's agent or employees. Without limiting the foregoing, Lessor and Lessor's agent shall not be liable for theft, or any damage, either to person or property, sustained by Lessee or others, caused by any defects now in the Leased Premises or hereafter occurring, becoming out of repair or caused by fire, or by the bursting or leaking of water, gas, sewer or steam pipes, or from any act or neglect of any persons or due to the happening of any accident from whatsoever cause in or about the Leased Premises.

Liability Insurance

8.2 Lessee shall, during the entire term of this Lease, keep in full force and effect a policy or policies of comprehensive general liability and property damage insurance with respect to the leased property, and the business operated thereon by the Lessee and any subleases or Lessee on the Leased Premises with combined single limit coverage for bodily injury and property damage, in an amount not less than One Million and Five Hundred and No/100 Dollars ($1,500,000.00). Lessor shall be named as one of the insured's and shall be furnished with a certificate of such insurance, which shall bear an endorsement that the same

RW

SEATTLE CITY CLERK

shall not be canceled except upon not less than twenty (20) days prior written notice to Lessor. The insurance shall be with an insurance company or companies and in a form approved by Lessor which consent will not be unreasonably withheld. A copy of each policy or certificate of insurance shall be delivered to Lessor prior to commencement of the term.

Waiver of Subrogation

8.3 Lessor and Lessee hereby mutually release each other from liability and waive all rights of recovery against each other for any loss in or about the Leased Premises, from perils insured under their respective fire insurance contracts, including any extended coverage endorsements thereof, whether due to negligence or any other cause; provided, that this section shall be inapplicable if it would have the effect, but only to the extent that it would have the effect of invalidating any insurance coverage of Lessor or Lessee. If at any time this waiver of subrogation provision is unacceptable to the insurer of either party, that party shall immediately notify the other party of such information.

ARTICLE IX
ASSIGNMENT AND SUBLETTING

Assignment and Subletting

9.1 Lessee shall not assign or transfer this Lease or any interest therein or sublet the whole or any part of the Leased Premises, nor shall this Lease or any interest therein be assignable or transferable by operation of law or by any process or proceeding of any court, or otherwise, without the prior written consent of Lessor which consent shall not be unreasonably withheld.

ARTICLE X
DESTRUCTION OF LEASED PREMISES

Notice

10.1 In case the improvements on the leased premises are destroyed or damaged by fire, earthquake, or other casualty during the term of this Lease, Lessee shall give Lessor immediate written notice thereof.

Substantial or Partial Destruction

10.2 No Abatement of Rent or Termination by Reason of Damage or Destruction. In the event there is any destruction or damage to the property or the buildings and improvements from any cause whatsoever, the rent shall not be abated.

10.3 Loss or Damages. If at any time during the term of this lease, or any extension thereof, the building or any improvements on the property are damaged or destroyed from any cause whatsoever, Lessee shall promptly restore the building and/or any improvements thereon to their condition prior to their destruction or damage. Fire insurance

proceeds shall be paid to Lessor and Lessor shall pay to Lessee the proceeds thereof from time to time as the rebuilding work progresses for the costs of each rebuilding, repair or restoration. Disbursement shall be made upon written request of Lessee, accompanied by evidence satisfactory to Lessor that the amount requested has been paid or is then due and payable and is properly a part of such costs. In the event the insurance proceeds are not sufficient to completely rebuild the building(s) or improvements, Lessee shall make up any difference.

Provided, however, so long as any leading institution, its successors or assigns or any other party has an interest in the Leased Premises as the beneficiary of a deed of trust, vendor of a real estate contract or otherwise, any policy or policies provided for fire or other casualty insurance which Lessor or Lessee may be obligated to maintain may be deposited with and made payable to said lending institution as beneficiary of a deed of trust or vendor as their interests may appear under a standard mortgagee's clause provided that if there is no default in the payment of said lending institution's note or under the terms of its deed of trust, or payments to any vendor, any loss proceeds paid by the insurer to said lending institution shall thereupon be made available promptly for the repair of restoration of the Leased Premises upon presentation of material and labor bills for work completed, but only in the event the Lessee has confirmed to said lending institution the lease will continue in full force and effect upon completion of such repairs or restoration, which work shall be diligently pursued.

ARTICLE XI
EMINENT DOMAIN

Total Taking

11.1 If all of the Leased Premises are taken by eminent domain, this Lease shall terminate as of the date Lessee is required to vacate the Leased Premises, and all rent shall be paid to that date.

Partial Taking

11.2 If a taking of any part of the Leased Premises by eminent domain renders the Leased Premises unsuitable for the business of Lessee, then this Lease may, at the option of either party, be terminated as of the date when Lessee is required to vacate the portion of the Leased Premises so taken by written notice given to the other party not more than thirty (30) days after Lessor received notice of the taking, and if terminated, all rent shall be paid to the date of termination. Whenever any portion of the Leased Premises shall be taken by eminent domain, and this Lease is not terminated, Lessor shall, at its expense, proceed with all reasonable dispatch to do such work as may be required to restore the structure of the Leased Premises, or what remains thereof, as nearly as may be to the condition they were in immediately prior to such taking, and Lessee shall, at its expense, proceed with all reasonable dispatch to do such work to the fixtures, furniture, furnishings, floor covering and equipment as may be required to restore them as nearly as may be to the same condition they were in immediately prior to such taking. From the date Lessee is required to vacate that portion of

CITY CLERK

the Leased Premises taken, the minimum rent payable hereunder shall be reduced in the same proportion that the area taken bears to the overall area of the Leased Premises. The Lessor shall be entitled to receive the entire award in the condemnation proceedings. Lessee hereby specifically assigns to Lessor any and all right, title and interest which Lessee now has or may hereafter have in or to any such award or any part thereof, and Lessee shall be entitled to receive no part of such award.

ARTICLE XII
LESSEE'S DEFAULT

Default

12.1 Time is of the essence hereof. The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Lessee.

(a) Failure to Pay Rent. Lessee's failure to make any payment of minimum rent, additional rent, or any other sum to be paid by Lessee hereunder, as and when due, where such failure continues for a period of five (5) business days after written notice thereof by Lessor to Lessee.

(b) Failure to Perform. Lessee's failure to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Lessee (other than described in 12.1(a) above) where such failure continues for a period of ten (10) business days after written notice thereof by Lessor to Lessee.

Remedies

12.2 Following a default or breach by Lessee, without limiting Lessor in the exercise of a right or remedy Lessor may have under this Lease, at law or in equity, Lessor may, at its option, upon written notice to Lessee, declare Lessee's rights under this Lease terminated and re-enter the leased premises using such force as may be necessary and repossess itself thereof as of its former estate and remove all persons and property from the leased premises, and such property may be removed and stored in a public warehouse or elsewhere at the cost of, and for the account of Lessee, all without service of notice or resort to legal process, and without being deemed guilty of any trespass or becoming liable for any loss or damage caused thereby. Lessor may sell such personal property excluding automobiles in a commercially reasonable sale after such personal property has been stored for a period of thirty (30) days or more. Notwithstanding any such re-entry, the liability of Lessee for the rent provided for herein shall not be extinguished for the balance of the term of this Lease, and Lessee shall make good to Lessor any deficiency arising from receipt by Lessor of a lesser rent than provided for herein and from any commission cost of reletting.

Legal Expenses

12.3 If either party is required to bring any action or otherwise refer this Lease to an attorney for the enforcement of any of the covenants, terms and conditions of this Lease,

RDS

the prevailing or non-defaulting party shall, in addition to all other remedies provided herein, receive from the other party all the costs, including a reasonable attorneys' fee, incurred in the enforcement of the covenants, terms and conditions of this Lease (whether or not an action is instituted) and including any such costs and fees incurred by the prevailing party on any appeal.

Waiver

12.4 Neither the acceptance of rent, nor any other act or omission of Lessor at any time or times after the happening of any event authorizing the cancellation or forfeiture of this Lease shall operate as a waiver of any past or future violation, breach, or failure to keep or perform any covenant, agreement, term, or condition hereof or to deprive Lessor of its rights to cancel or forfeit this Lease, upon the written notice provided for herein, at any time that cause for cancellation or forfeiture may exist or be construed so as to at any future time estop Lessor from properly exercising any other option, right, or remedy that it may have under any term or provision of this Lease, at law or in equity.

ARTICLE XIII
ACCESS BY LESSOR AND OTHERS

Right of Entry

13.1 Lessor or Lessor's agents during business hours on forty-eight (48) hours notice shall have the right to enter the Leased Premises at reasonable business hours to examine the same, including fixtures and equipment, and to show them to prospective purchasers or lessees of the building, and to make such repairs, alterations, improvements, or additions as Lessor may deem desirable. If Lessee is not personally present to permit entry and an entry is necessary or permissible, Lessor may enter the same by a master key or may forcibly enter the same, without rendering Lessor liable therefor. Nothing contained herein shall be construed to impose upon Lessor any duty of repair of the building except as otherwise specifically provided for herein. This paragraph does not restrict Lessors right under paragraph 1.2.

Inspections

13.2 Lessee shall permit access to the Leased Premises for all such inspections as may be required by law, and Lessee shall, during the term of this Lease, pay all fees due the city, county, state or federal government on account of any inspection made on said leased premises by any officer or agent of said city, county, state or federal government, which inspections are in relation to the use and occupancy of said premises by the Lessee or the conduct of the business of the Lessee therein.

RCW

CITY CLERK

ARTICLE XIV
SURRENDER OF PREMISES

Surrender of Possession

14.1 Lessee covenants and agrees to promptly yield and deliver to Lessor possession of the Leased Premises, including the fixtures and equipment described above, without notice at the expiration date or at any prior termination date. The Leased Premises, including the above-described fixtures and equipment, shall be in the same condition as when first obtained by Lessee, reasonable wear and tear and damage by insurable risks excepted. Lessee further agrees to remove all of its personal property from said premises, to clean the premises and to deliver to Lessor all keys to the Leased Premises at the expiration of the term or sooner termination date.

Holding Over

14.2 Any holding over by Lessee after the expiration of the term hereof, with Lessor's consent, shall be construed to be a tenancy from month to month at the rent provided for during the final month of the initial term of this Lease, and on all of the terms and conditions set forth, so far as is consistent with such month to month tenancy.

ARTICLE XV
QUIET ENJOYMENT

Lessor's Covenant

15.1 Lessee, upon fully complying with and promptly performing all of the terms, covenants, and conditions of this Lease on its part to be performed, shall have and quietly enjoy the Leased Premises for the term set forth herein.

ARTICLE XVI
MISCELLANEOUS

Notices

17.1 Except as may otherwise be provided herein, any notices required in accordance with any of the provisions herein shall be sent by registered or certified mail addressed to Lessor at 1830 Broadmoor Drive, Seattle, WA 98112, or at such other place as Lessor may in writing direct; and addressed to Lessee at 11961 - 124th Avenue N.E., Kirkland, WA 98034; or at such other place as Lessee may in writing direct.

Successors and Assigns

17.2 All the terms, conditions, covenants and agreements of this Lease shall extend to and be binding upon Lessor, Lessee, and their respective heirs, administrators, executors, successors and assigns, and upon any person or persons coming into ownership or possession

of any interest in the Leased Premises by operation of law or otherwise, and shall be construed as covenants running with the land.

Insolvency

17.3 If Lessee becomes insolvent, voluntarily or involuntarily bankrupt, or if a receiver, assignee or other liquidating officer is appointed for the business of Lessee, then Lessor shall have the right to cancel this Lease.

Entire Agreement

17.4 This Lease and any exhibits or attachments hereto and forming a part hereof set forth the entire agreement of Lessor and Lessee concerning the Leased Premises, and there are no other agreements or understandings, oral or written, between Lessor and Lessee. Any subsequent modification of this Lease shall be binding upon Lessor and Lessee only if reduced to writing and signed by them.

Broker's Commission

17.5 Each of the parties represents and warrants that there are no claims for brokerage commissions or finders fees in connection with the execution of this Lease and each of the parties agrees to indemnify the other against, and hold it harmless from, all liabilities arising from any such claim (including, without limitation, the cost of attorney's fees in connection therewith).

Partial Invalidity

17.6 If any term, covenant or condition of this Lease or the application thereof to any person or circumstances is, to any extent, invalid or unenforceable, the remainder of this Lease, and the application of the term, covenant, or condition to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

Signs

17.7 At the termination of this Lease, all such signs, symbols and advertising matter attached to or painted by Lessee upon the premises with the consent of Lessor, whether on the exterior or interior thereof, shall be removed by Lessee at its own expense. Lessee shall repair any damage or injury to the premises and correct any unsightly condition caused by the maintenance or removal of any such sign.

Subordination/Nondisturbance

17.8 Lessee agrees that this Lease shall be subordinate to any mortgage or trust deed that may be existing or hereafter placed on the real property of which Leased Premise

RCW

CITY CLERK

are a part, and to any and all renewals, replacements and extensions thereof. Any security agreement shall either be subject to the terms and conditions of this Lease and the rights hereunder granted to Lessee, or such security instrument shall be prior to this Lease, provided the Mortgagee gives to Lessee a nondisturbance and attornment agreement. The nondisturbance and attornment agreement shall (i) recognize the lease of Lessee; and (ii) provide in the event of foreclosure or other realization proceedings under the security instrument, the Mortgagee or any successor to Lessor through such realization proceeding, will, as of the date of the Mortgagee or such successor acquires the Lessor's interest in the Leased Premises or otherwise gains control of the Lessor's interest be obligated to Lessee to keep and perform all of the obligations of the Lessor under this Lease, or as amended, provided Lessee is not in default in any condition of the Lease.

Covenants Running With the Land

17.9 All the covenants, agreements, conditions and undertakings in this Lease shall extend and inure to and be binding upon the heirs, executors, administrators, distributees, lessees, successors, and assigns of each of the parties hereto, the same as if they were in every case named and expressed, and same shall be construed as covenants running with the land. Wherever in this Lease reference is made to any of the parties hereto, it shall be held to also include and apply to, whenever applicable, the heirs, executors, administrators, distributees, lessees, successors and assigns of each such party, the same as if in each and every case so expressed.

Absence of Partnership

17.10 Nothing contained in this Lease shall create a partnership or joint venture as between Lessor and Lessee or render Lessor or Lessee in any way responsible for the debts of the other, it being the express intention that the relationship of the parties hereto shall at all times be that of Lessor and Lessee.

Hazardous Substances

17.11 Lessor will hold Lessee harmless from and indemnify and defend Lessee against and from any damage, loss, expense or liability, including any attorneys' fees and costs incurred as a result thereof, resulting from any prior use of the Leased Premises involving "hazardous substances" prior to Lessee's occupation of the Leased Premises. "Hazardous substances" shall be interpreted broadly to mean any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous or toxic or radio active substance, or other similar term by any federal, state or local environmental law, regulation or rule presently in affect or promulgated in the future, as such laws, regulations or rules may be amended from time to time, and it shall be interpreted to include any other substance which after release into the environment and upon exposure, ingestion, inhalation or assimilation, either directly from the environment or directly by ingestion through food or otherwise, will, may or reasonably be anticipated to cause sickness, death, disease, behavior abnormalities, cancer or genetic abnormalities. Likewise, Lessee will hold Lessor harmless from and indemnify and defend Lessor against and from any damage, loss, expense or liability,

including any attorneys' fees and costs incurred as a result thereof, resulting from any use of the Leased Premises involving "hazardous substances" during Lessees occupation of the Leased Premises.

Termination of Lease by Lessor

17.12 Lessor may terminate this lease in the event:

(a) Lessor has a bona fide sale of the leased premises to a person or entity who intends to erect upon the leased premises and adjacent property a major improvement after the demolition of any building(s) on the leased premises. Said major improvement to be a multi-story structure and may include a hotel, a store, a warehouse, or office building.

(b) Lessor undertakes a major improvement on the leased premises in conjunction with adjacent property owners wherein the building(s) on the leased premises are destroyed. A major improvement is as described immediately above. Lessor may qualify as undertaking a major improvement if Lessor is an investor, lessor, limited partner, shareholder, or participates in any other business way wherein the leased premises owned by Lessor are part of the major improvement.

Upon giving the notice of intention to terminate the lease, the term thereof shall cease, be terminated and end at the expiration of one year from the day when such notice has been mailed. After said date the Lessor may take possession of the leased premises, and every part thereof, and have and enjoy the said premises as his former estate, free, clear and discharged of this lease, and of all rights of the Lessee or any assignee hereunder.

Lessor will reimburse Lessee on the termination date of the lease and after Lessee has vacated the leased premises for the amount of any unamortized improvements on the leased premises for improvements made prior to the notice of termination. The dollar amount of unamortized leasehold improvements shall be measured by Lessee's federal income tax return and shall be prorated for any year.

IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year first above set forth.

LESSOR:

Howard K. Anderson

Dorcas Anderson

RCW

BHS CITY CLERK

LESSEE:

ENTERPRISE LEASING COMPANY, d/b/a
ENTERPRISE RENT-A-CAR,
a Washington corporation

By _____
Richard C. Goodman, Vice President
and General Manager

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this 6 day of April, 1993, personally appeared before me Howard K. and Dorcas Anderson, to me known to be the Lessors, and acknowledged that they acknowledged said instrument as their free and voluntary act and deed, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.

_____
NOTARY PUBLIC in and for the State of
Washington, residing at Bothell
My commission expires August 29, 1996

JUNE MEEHAN
COMMISSION EXPIRES
NOTARY
PUBLIC
AUGUST 29, 1996
STATE OF WASHINGTON

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this 6 day of April, 1993, personally appeared before me Richard C. Goodman, to me known to be the Vice President and General Manager of Enterprise Leasing Company, d/b/a Enterprise Rent-A-Car, the 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 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.

_____
NOTARY PUBLIC in and for the State of
Washington, residing at Bothell
My commission expires August 29, 1996

JUNE MEEHAN
COMMISSION EXPIRES
NOTARY
PUBLIC
AUGUST 29, 1996
STATE OF WASHINGTON

Attachment 1

12/02/03

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Howard Anderson
1830 Broadmoor Drive
Seattle, WA 98112

Re: NOTICE OF EXERCISE OF LEASE RENEWAL OPTION
Enterprise Rent-A-Car
2116 Westlake Ave

Dear Howard Anderson:

The undersigned is a tenant at the above location under that certain Lease dated April 6th, 1993. Pursuant to the terms of the Lease, we hereby exercise our second five (5) year option to renew such that the term of our Lease shall now expire on November 30th, 2008. In addition Leasee, shall be granted one (1) additional five (5) year option.

Rent for the above exercised option shall be as follows:

12/1/2003-11/30/2004	$8,000.00
12/1/2004-11/30/2005	$8,000.00
12/1/2005-11/30/2006	$8,500.00
12/1/2006-11/30/2007	$8,500.00
12/1/2007-11/30/2008	$8,500.00

Rent for the remaining options shall be bound by Article 3.2 of the Lease.

Thank you for the courtesies extended to us during our tenancy and we look forward to a continued successful business relationship.

Very truly yours,

Enterprise Leasing Company A Washington State Corporation, d/b/a Enterprise Rent-A-Car

By: Richard G Thrasher
Name: Richard G Thrasher
Title: Vice President General Manager

DJ

DIS CITY CLERK

Receipt acknowledged this ____ day of _____, 20__.

Howard Anderson

By: _____
Name: HOWARD ANDERSON
Title: PRES.

Attachment 1

LEASE AMENDMENT

This Lease Amendment is entered into the 2nd day of August, 2005 by and between Howard Anderson ("Lessor") and Enterprise Leasing Company, A Washington Corporation ("Lessee").

RECITALS

WHEREAS, Lessor and Lessee entered into a Lease dated April 6th, 1993 for the "Premises" described in the Lease Agreement located at 2116 Westlake Ave, Washington, 98112; and

WHEREAS, Lessor and Lessee wish to agree to modify and amend the Lease.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Lessor and Lessee, and in consideration of the covenants and agreements provided in said Lease, Lessor and Lessee agree as follows:

1. Renewal Option. Lessee shall be granted one (1) additional five (5) year option. This additional option will now grant the Lessee a total of two (2), five (5) year options available for the Lessee to exercise. Such extended terms shall be upon the same terms and conditions as during the term hereof. If Lessee fails to exercise its options within the time period as specified in the Lease, Lessor shall so notify Lessee and Lessee shall have seven (7) business days thereafter within which to exercise the option.

2. Rent. The minimum rent for the premises payable in advance for each month for the renewal options mentioned above, shall be set forth in the Rent schedule below:

Minimum Rent Schedule:

12/1/2008-11/30/2013	$9,350.00
12/1/2013-11/30/2018	$10,285.00

3. Except as expressly modified hereby, all other terms and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed this fourth Addendum as of the day and year first set forth above.

LESSOR

Howard Anderson
Owner

LESSEE
Enterprise Leasing Company, a Washington Corporation

By:
Craig Anderson
Regional Vice President

DIS CITY CLERK

Attachment 1

enterprise

Rent-A-Car Division
1119 S.W. 7th Street
Renton, WA 98057

March 20th, 2008

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Cornish College of the Arts
1000 Lenora
Seattle, WA 98121
Attn: Vick Clayton

Re: NOTICE OF EXERCISE OF LEASE RENEWAL OPTION
Enterprise Rent-A-Car
2116 Westlake Ave, Seattle, WA 98121

Dear Vicki Clayton:

The undersigned is a tenant at the above location under that certain Lease dated April 6th, 1993. Pursuant to the terms of the Lease, we hereby exercise our third, five (5) year option to renew such that the term of our Lease shall now expire on November 30th, 2013.

While not a condition to the effectiveness of this Notice, we request that you acknowledge receipt of this letter by signing and returning to the undersigned the enclosed counterpart of this letter.

Thank you for the courtesies extended to us during our tenancy and we look forward to a continued successful business relationship.

Very truly yours,

Enterprise Leasing Company, a Washington State Corporation, d/b/a Enterprise Rent-A-Car

By: Richard G. Thrasher
Name: Richard G. Thrasher
Title: Vice President/General Manager

Receipt acknowledged this 14 day of April 2008

By: VPC

Name: _____

Title: _____

Attachment 1
Attachment 3

PARCEL 1:

Lot 1, Block 24, Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's 2nd Addition to the City of Seattle), according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington;
EXCEPT portion thereof condemned in King County Superior Court Cause Number 36118 for Westlake Avenue, as provided by Ordinance Number 7733 of the City of Seattle;

PARCEL 2:

That portion of Lots 3 and 10, Block 24, Plat of the Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased, according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington (commonly known as Heirs of Sarah A. Bell's 2nd Addition to the Town of Seattle), lying easterly of Westlake Avenue as established by Ordinance Number 7733;

PARCEL 3:

Lot 2, Block 24, Second Addition to the Town of Seattle as laid off by Heirs of Sarah A. Bell (commonly known as Heirs of Sarah A. Bell's 2 Addition to the City of Seattle), according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington,
EXCEPT portion condemned in King County Superior Court Cause Number 36118 for Westlake Avenue, as provided by Ordinance Number 7733 of the City of Seattle.

DPS CITY CLERK

Attachment 1
Attachment 4

Hazardous Materials List

EXHIBIT F

TEMPORARY USE PERMIT
(pages 96-107 of this Agreement)

DHS CITY CLERK

a. Parking Permit. The City hereby grants to and for the benefit of Cornish a temporary permit, over and across the City Property for the purpose of parking motor vehicles on the surface of the City Property and on the first below-grade parking level of the City Property for Cornish's officers, agents, contractors, employees and invitees (the "Temporary Parking Permit"). Commercial parking is not permitted.

b. Temporary Construction Permit. The City hereby grants to and for the benefit of Cornish a temporary permit upon, over and across the City Property for the purposes of staging, storing and laying down construction materials, equipment and supplies to be used by Cornish and its contractors in connection with building and erecting the Cornish Improvements (the "Temporary Construction Permit"); *provided* that the Temporary Construction Permit shall be conditioned upon requirements that: (1) Cornish's design and installation techniques utilized in connection with construction of the Cornish Improvements shall be calculated to reasonably protect against personal injury and property damage and (2) all persons performing services on behalf of Cornish in connection with the construction of the Cornish Improvements shall provide reasonable protection against personal injury and property damage and shall comply with the terms of this Agreement.

c. Crane Sweep Permit. The City hereby grants to and for the benefit of Cornish a temporary permit to allow Cornish and its contractors, subcontractors and agents to swing a crane through the airspace above the City Property at a safe distance above any facilities or improvements located thereon in connection with construction of the Cornish Improvements (the "Temporary Crane Sweep Permit").

2. Use and Maintenance of City Property.

a. Use of City Property. Cornish agrees to use the City Property in a safe and reasonable manner so as to minimize disruption to the City Property and in compliance with all governmental laws and regulations with respect to any and all activities conducted by Cornish upon the City Property pursuant to this Agreement. Under the Temporary Parking Permit, Cornish shall have the right to use the surface area and the

2015 CITY CLERK

first below-grade parking level of the City Property for parking in a manner consistent with this Agreement. Parking shall be for the non-commercial parking of vehicles upon the City Property by invitees of Cornish or the Cornish Property. Cornish shall use the Temporary Construction Permit and the Temporary Crane Sweep Permit for building and installing the Cornish Improvements at its own expense and storing and staging construction materials, equipment and supplies in connection therewith. To provide structural support for the Cornish Improvements, Cornish may install temporary tie-backs (de-tensioned tie-backs may remain in place upon the City Property notwithstanding the termination of this Agreement, provided that in such event Cornish shall deliver to the City an accurate as-built plan of their depths and locations). Cornish shall construct the Cornish Improvements in a careful, workmanlike manner and free of claims or liens upon the City Property.

b. Maintenance of and Responsibility for City Property. While the Permits are in effect, Cornish shall maintain the City Property (including the first below-grade parking level) in a good, safe condition in compliance with all applicable governmental laws and regulations. Cornish's maintenance obligations under this paragraph shall include the duty to generally keep the City Property free from trash, debris and graffiti. Cornish shall also be responsible for providing adequate security, particularly night time security, and for prohibiting and taking reasonable actions to prevent unlawful use of the City Property.

3. Term of Permits.

a. Commencement of Permits. The Permits shall commence upon Enterprise vacating the City Property.

b. Termination of Permits. The Permits shall terminate upon the earlier to occur of the following events: (i) Cornish's delivery to the City of written notice of termination; or (ii) the date which is thirty (30) days after the date on which the City delivers written notice of termination to Cornish, *provided*: (a) the City shall not deliver such notice if Cornish is in compliance with the terms and conditions of this Agreement, has previously commenced construction of the Cornish Improvements, is diligently prosecuting

completion of the Cornish Improvements and the Cornish Improvements are not yet substantially complete, (b) the City shall not deliver such notice if Cornish is in compliance with the terms and conditions of this Agreement and the City is not yet fully prepared and intends to use the City Property for park purposes, and (c) in no event shall the City deliver such notice earlier than twenty-four (24) months after the termination of the Enterprise Lease unless Cornish is not in compliance with the terms and conditions of this Agreement.

4. No Vested Rights; Non-Assignable. The Permits are wholly of a temporary nature, vest no permanent rights to Cornish whatsoever, are granted to Cornish only and cannot be transferred.

5. Permit Fee. Upon Enterprise vacating the City Property and so long as the Permits have not been terminated in accordance with Section 3(b), Cornish shall pay to the City, as consideration for the Permits, monthly payments in an amount determined by multiplying the gross rents that would have been payable by Enterprise under the Enterprise Lease during such month by a fraction having a numerator equal to the square footage of the City Property and a denominator equal to the square footage of the Premises (the "Permit Fee"). Cornish shall pay the Permit Fee in advance in monthly installments until the Permits are terminated pursuant to Section 3(b) and, in the event of such termination, Cornish shall be entitled to a pro-rated refund of any prepaid Permit Fee.

6. Deduction from Permit Fee for Maintenance and Security. Prior to commencement of construction of the Cornish Improvements, and effective upon substantial completion of the Cornish Improvements as evidenced by the certificate of occupancy issued in connection therewith, Cornish shall be entitled to deduct from the Permit Fee its actual and reasonable costs of maintaining the City Property (including, without limitation, keeping the City Property free from trash, debris and graffiti) and providing reasonable security, particularly night time security, for the City Property, consistent with Section 2(b), until such time as the Permits are terminated; provided that in no event shall the City owe any payment to Cornish for maintenance and security.

DPS CITY CLERK

7. Restoration of City Property. In the event any portion of the City Property is disturbed by the activities of Cornish, its employees, invitees, or its contractors or agents relating to, or arising from, the exercise of any of Cornish's rights under this Agreement, Cornish shall promptly restore the City Property to the condition in which it existed at the commencement of such activities.

8. Rights Retained by City. Notwithstanding the Permits, the City shall retain the right to use the City Property during the term of this Agreement for purposes not inconsistent with this Agreement and provided such use does not unreasonably interfere with Cornish's rights hereunder.

9. Indemnity. Cornish shall indemnify, defend and hold the City and its beneficiaries, agents, employees and contractors, individually and collectively harmless from and against any and all losses, damages, fines, penalties, liens, liabilities and expenses resulting from any actual or alleged injury to any person or any actual or alleged loss of or damage to any property arising from use of the City Property or the Permits by Cornish, its employees, invitees, or any agent, contractor or other person performing services on behalf of Cornish in connection with construction of the Cornish Improvements. In the event that any suit based upon such losses, damages, fines, penalties, liens, liabilities or expenses is brought against the City, Cornish shall (at the election of the City) defend the same at its sole cost and expense. If final judgment is adverse to the City or the City and Cornish jointly, Cornish shall promptly satisfy the same, to the extent of Cornish's indemnity obligations hereunder.

10. Insurance. Cornish shall maintain, and shall cause its contractors to maintain, Commercial General Liability insurance under which the City of Seattle shall be included as an additional insured for primary and non-contributory limits of liability. The minimum limits of liability of such insurance shall be $2,000,000 each occurrence combined single limit bodily injury and property damage. Cornish shall provide certification of insurance on or before the Effective Date and shall cause its contractors to provide certification of insurance prior to commencement of any work on the Cornish Improvements. Certification shall: (a) be issued to "The City of Seattle, Risk Management Division, P.O. Box 94669, Seattle, WA 98124-4669," (b) delivered electronically by fax to (206)470-1270 or as an email attachment to riskmanagement@seattle.gov, (c) reference

"Temporary Permit For Parking And Construction by and between the City of Seattle and Cornish College of The Arts, and (d) include an actual copy of the additional insured provision of the insurance policy that documents that the City of Seattle is an additional insured for primary and non-contributory limits of liability. If any contractor constructing or working on the Cornish Improvements fails to comply with the foregoing requirements relating to insurance, the City, at its option, may require the contractor to cease construction activity until such insurance is obtained.

11. Liens And Encumbrances. Cornish shall keep the City Property free and clear of any liens and encumbrances arising out of the use or occupancy of the City Property by Cornish, its agents and contractors. At the City's request, Cornish shall furnish the City with written proof of payment of any item which, if not paid, would or might constitute the basis for such a lien on the City Property.

12. Hazardous Substances. Cornish shall not allow the use or storage of any hazardous, dangerous or toxic substances or material (including but not limited to petroleum products, greases and illegal pesticides) on the City Property except in full compliance with applicable law. Cornish shall be responsible for complying with all federal, state and local laws and regulations in regard to the handling and disposing of hazardous, dangerous or toxic substances or material that Cornish, its employees, agents or contractors brings onto or uses on the City Property. In no instance shall Cornish allow the release or disposal of any hazardous, dangerous or toxic substances or material on the City Property.

13. Other Permits / Approvals / Regulations. Cornish shall obtain all necessary permits and approvals required by applicable State and City laws, ordinances, rules and regulations to perform any work on the City Property.

14. Representation and Warranty. Each party represents and warrants that it has full power and authority to enter into this Agreement without the consent of any other person or entity and that the person signing this Agreement on its behalf is duly authorized to do so.

15. Enforcement; Remedies. This Agreement is enforceable only by the City and Cornish and there are no intended third party beneficiaries of this Agreement. In addition to such

DPS CITY CLERK

other remedies as may be available at law or equity, the parties shall be entitled to specific performance of this Agreement.

16. Notice. Any notice permitted or required to be given by either party to this Agreement shall be given in writing and may be effected by certified United States mail, with return receipt requested, properly addressed, postage prepaid, by reputable overnight delivery service, or by personal delivery, as follows:

If to Cornish: Cornish College of the Arts
1000 Lenora Street
Seattle, WA 98121
Attn: Jeff Riddell, Chief Financial Officer

If to the City : Seattle Department of Parks and Recreation
800 Maynard Avenue South, 3rd Flr.
Seattle, WA 98134
Attn: Lise Ward

17. Governing Law. This Agreement shall be construed in accordance with the laws of the State of Washington.

18. Modification. This Agreement may be amended or modified only by written instrument, executed and acknowledged by the parties hereto.

19. Headings. The headings used herein are for convenience only and are not to be used in interpreting this Agreement.

20. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed the original and which together shall constitute one and the same instrument.

Attachment 1

CITY CLERK

If to Cornish: Cornish College of the Arts
1000 Lenora Street
Seattle, WA 98121
Attn: Jeff Riddell, Chief Financial Officer

If to the City : Seattle Department of Parks and Recreation
800 Maynard Avenue South, 3rd Flr.
Seattle, WA 98134
Attn: Lise Ward

or to such other address or to such other person's attention of which notice was given in accordance with this section. Notice shall be deemed effective upon receipt in the case of personal delivery or delivery by overnight courier and two (2) days after being properly deposited in the United States mail as described above.

Attachment 1

IN WITNESS WHEREOF, the parties execute this Agreement as of the Effective Date.

"CORNISH"

Cornish College of the Arts,
a Washington non-profit corporation

By: _____
Sergei Tschernisch
President

By: _____
Jeff Riddell
Chief Financial Officer

"CITY"

The City of Seattle,
a Washington municipal corporation

By: _____
Timothy A. Gallagher
Superintendent of Parks and Recreation

2015 CITY CLERK

Attachment 1

Exhibit A

THE CITY PROPERTY

That portion of Lots 1, 2, and 3, Block 24, Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's 2nd Addition to the City of Seattle), according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington, lying easterly of and excepting therefrom that portion condemned in King County Superior Court Cause Number 36118 for Westlake Avenue, as provided by Ordinance Number 7733 of the City of Seattle.

Attachment 1

Exhibit B

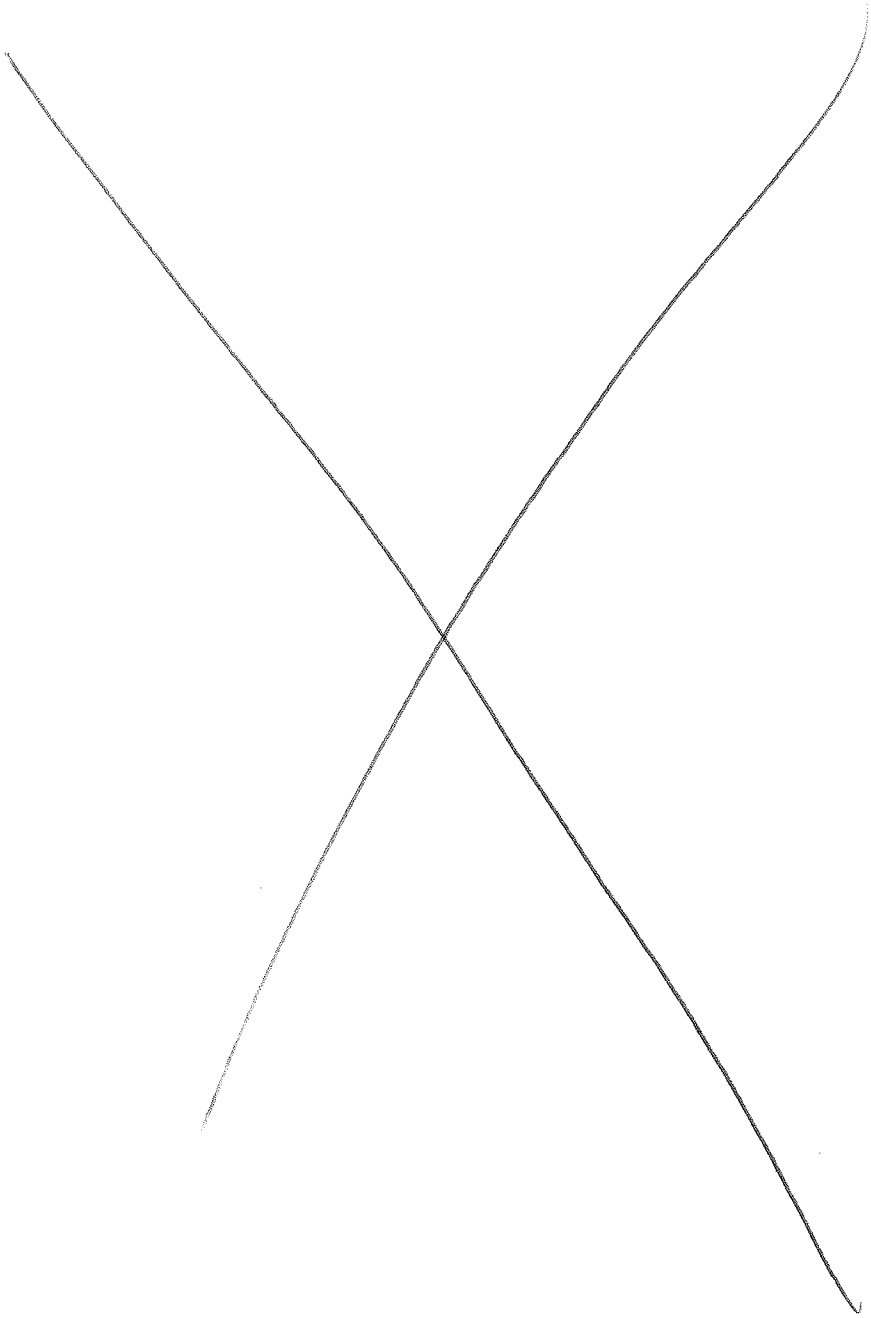
THE CORNISH PROPERTY

Lots 11 and 12, Block 24, Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's 2nd Addition to the City of Seattle), according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington.

And

That portion of Lot 10, Block 24, Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased (commonly known as Heirs of Sarah A. Bell's 2nd Addition to the City of Seattle), according to the plat thereof recorded in Volume 1 of Plats, page 121, in King County, Washington, lying easterly of and excepting therefrom that portion condemned in King County Superior Court Cause Number 36118 for Westlake Avenue, as provided by Ordinance Number 7733 of the City of Seattle.

DNS CITY CLERK



STATE OF WASHINGTON – KING COUNTY

--ss.

233166 No. TITLE ONLY

CITY OF SEATTLE,CLERKS OFFICE

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:122881,83-122894

was published on

01/07/09

The amount of the fee charged for the foregoing publication is the sum of $ 183.95, which amount has been paid in full.

Subscribed and sworn to before me on

01/07/09

Notary public for the State of Washington,
residing in Seattle

Affidavit of Publication

State of Washington, King County

City of Seattle

TITLE-ONLY PUBLICATION

The full text of the following ordinances, passed by the City Council on December 15, 2008, and published here by title only, will be mailed, at no cost, on request for two months after this publication. For further information, contact the Seattle City Clerk at 684-8344.

ORDINANCE NO. 122894

AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.

ORDINANCE NO. 122893

AN ORDINANCE relating to City employment; authorizing the execution of a Memorandum of Understanding by and between the City of Seattle, the Seattle Department of Transportation, and the International Brotherhood of Electrical Workers, Local 77 effective January 23, 2009 through January 22, 2013; and providing payment therefor.

ORDINANCE NO. 122892

AN ORDINANCE relating to City employment; authorizing the execution of a Memorandum of Understanding by and between the City of Seattle, the City Light Department, and the International Brotherhood of Electrical Workers, Local 77 effective January 23, 2009 through January 22, 2013; and providing payment therefor.

ORDINANCE NO. 122891

AN ORDINANCE relating to City employment; authorizing the Mayor to sign and/or execute a collective bargaining agreement by and between the City of Seattle and the International Brotherhood of Teamsters, Local 117 Evidence Warehousers and Community Service Officers units to be effective through December 31, 2010; and providing payment therefor.

ORDINANCE NO. 122889

AN ORDINANCE authorizing the purchase, for park, open space and recreation purposes, of real property commonly known as Webster Park, a portion of the former Webster Elementary School, located at 3017 NW 67th Street, from Seattle School District No. 1, and authorizing acceptance of the deed, making appropriations, amending the 2008-2013 Capital Improvement Program, and authorizing the loan of funds from the City's Consolidated (Residual) Cash Pool, or its participating funds, to the Cumulative Reserve Subfund-Unrestricted Subaccount, all by a three-fourths vote of the City Council.

ORDINANCE NO. 122890

AN ORDINANCE authorizing the purchase, for park, open space, and recreation purposes, of real property commonly known as a portion of the former Crown Hill Elementary School, located at 9089 Holman Road Northwest, from Seattle School District No. 1, authorizing acceptance of the deed, authorizing the creation of an Opportunity Fund Project consistent with the requirements of Ordinance 120024, making appropriations, amending the 2008-2013 Capital Improvement Program, and authorizing the loan of funds from the City's Consolidated (Residual) Cash Pool, or its participating funds, to the 2000 Parks Levy Fund, all by a three fourths vote of the City Council.

ORDINANCE NO. 122885

AN ORDINANCE relating to lobbying activities by City of Seattle officials and employees; repealing Ordinance 120960.

ORDINANCE NO. 122888

AN ORDINANCE, relating to City employment, to be known as the 2009 Pay Zone Ordinance; adjusting the pay zone structures for the City's discretionary pay programs for the year 2009.

ORDINANCE NO. 122887

AN ORDINANCE relating to City employment, commonly referred to as the Fourth Quarter 2008 Employment Ordinance; establishing new titles and/or salaries; designating positions as exempt from Civil Service status; all by a 2/3 vote of the City Council.

ORDINANCE NO. 122886

AN ORDINANCE relating to security from terrorism; authorizing the City to partner with the State of Washington and King County to receive financial assistance from the Department of Homeland Security (DHS), Office for State and Local Government Coordination and Preparedness under the Urban Areas Security Initiative Grant for Federal Fiscal Year 2008 (UASI 08), authorizing an application for allocation of funds under that agreement, increasing appropriations to the Police Department, Fire Department and Department of Information Technology in the 2009 Budget.

ORDINANCE NO. 122884

AN ORDINANCE adopting the 2007 City of Seattle Disaster Debris Management Plan and designating Seattle Public Utilities as the lead City department for debris management during the recovery phase following a large natural or human-caused disaster.

ORDINANCE NO. 122883

AN ORDINANCE authorizing Seattle Public Utilities to acquire by purchase or condemnation of land and all improvements thereon property situated at 1318 North 128th Street, Seattle for water, drainage and other utility or general municipal purposes.

ORDINANCE NO. 122881

AN ORDINANCE relating to the Neighborhood Parks, Green Spaces, Trails, and Zoo Levy; authorizing the acquisition of real property commonly known as 2100 Westlake Avenue; authorizing acceptance of the deed for open space, park, and recreation purposes; increasing appropriations to the Department of Parks and Recreation in the 2008 Budget; all by a three-fourths vote of the City Council.

Publication ordered by JUDITH PIPPIN, City Clerk

Date of publication in the Seattle Daily Journal of Commerce, January 7, 2009.

1/7(233166)