

## SECOND AMENDMENT TO LEASE AGREEMENT

This Second Amendment to Lease is made and entered into this 14th day of March, 2017 (the "Second Amendment") by and among **CWS MARKETING GROUP**, agent for the Internal Revenue Service. ("Landlord") and **SHANNON & WILSON, INC.**, a Washington corporation ("Tenant").

**WHEREAS**, Landlord (or its predecessor) entered into a Lease, dated February 15, 2013 with Tenant ("Lease") to lease certain premises located at 2705 St. Andrews Loop, Suite A and a portion of Suite E, Pasco, Washington ("Premises") and amended by the First Amendment to Lease dated January 30, 2015; and

**WHEREAS**, the parties agree that the Tenant shall exercise its option to extend the lease term by two (2) years; and

**WHEREAS**, Rent shall be adjusted to new rates as agreed between Landlord and Tenant in the Second Amendment; and

**WHEREAS**, Tenant acknowledges that the CWS Marketing Group has taken control of the Premises as agent for the Internal Revenue Service as a result of a criminal investigation.

**NOW THEREFORE**, in consideration of the mutual covenants and agreements herein contained, the benefits to each party resulting herefrom and for other valuable consideration, the receipt and sufficiency of which are irrevocably and unconditionally hereby acknowledged, the parties hereto, intending to be fully legally bound, agree as follows:

1. The Second Amendment shall be effective as of the date it is signed by both parties, (the "Second Amendment Effective Date").

2. The lease term is extended to midnight on February 28, 2019.

3. Rent for the extension period shall be:

02.15.2017 to 02.28.2018	\$2,058.03 per month
03.01.2018 to 02.28.2019	\$2,109.48 per month

4. As a result of the Landlord's involvement, the following terms are added to the Lease Agreement:

a. The Internal Revenue Service or its Property Custodian, CWS Marketing Group, and its Agent, Eastside Commercial Properties, LLC, shall have the right to re-enter the property, with or without the consent of Tenant, at reasonable time to inspect and/or appraise the property, or for any other purpose consistent with the Lease Agreement.

b. Tenant shall maintain casualty and fire insurance equal to the full replacement cost of Tenant's furniture, fixtures and equipment, and shall maintain liability insurance for injuries occurring on or resulting from use of the property, or

activities or conditions thereon. Additionally, Tenant shall arrange for a rider to all above-mentioned policies naming the United States as a loss payee and additional insured for the life of the Lease Agreement. Tenant shall deliver proof of such insurance to Eastside Commercial Properties, LLC no later than the seventh calendar day following the execution of this Amendment.

5. All obligations of Tenant to be performed or complied with by Tenant through and including the date of this Second Amendment have been fully performed or complied with, and there exists no default or condition, state of facts, or event that, with the passing of time or the giving of notice, or both, would constitute a default by Tenant in the performance of its obligations under the Lease.

6. All of the terms, covenants and conditions of the Lease not modified herein, remain in full force and effect, and shall become a part of this Second Amendment.

***IN WITNESS WHEREOF***, the Landlord and Tenant have executed this Second Amendment to Lease as of the date first shown above.

**Landlord:** \_\_\_\_\_  
Signed: \_\_\_\_\_

**Tenant:**  
Signed: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF Washington )  
 )  
: ss.  
COUNTY OF Benton )

I certify that I know or have satisfactory evidence that Terry D. Blankenship is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 14 day of March, 2017.



[Signature]  
Notary Public in and for the State of  
Washington, residing  
at Benton County  
My appointment expires: 2/3/18

STATE OF \_\_\_\_\_ )  
 )  
: ss.  
COUNTY OF \_\_\_\_\_ )

I certify that I know or have satisfactory evidence that \_\_\_\_\_ is the person who appeared before me, and said person acknowledged that he/she/they signed this instrument and acknowledged it to be (his/her/their) free and voluntary act for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Notary Public in and for the State of \_\_\_\_\_, residing  
at \_\_\_\_\_  
My appointment expires: \_\_\_\_\_

**FIRST ADDENDUM TO  
LEASE AGREEMENT**

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THIS FIRST ADDENDUM TO LEASE AGREEMENT is dated this <sup>30<sup>th</sup></sup> day of JANUARY, 2015, by and between CASTLEROCK HOLDINGS, LLC, a Washington limited liability company, and successor in interest to TRICITY INVESTORS LLC 2, a Washington limited liability company, doing business as "TRI-CITY INVESTOR II", hereinafter referred to as "Landlord", and SHANNON & WILSON, INC., a Washington corporation, hereinafter referred to as "Tenant", and amends that certain Lease Agreement entered into on the 15<sup>th</sup> day of February, 2013, and

**WHEREAS**, Tenant desires to extend the Lease of that Premises known as 2705 Saint Andrews Loop, Suite A, and a portion of Suite E, Pasco, Franklin County, Washington, for an additional year, and

**WHEREAS**, Landlord is agreeable to extending the Lease with modifications as provided below:

**NOW, THEREFORE, IN CONSIDERATION** of the mutual covenants contained herein, it is agreed as follows:

Amendment to Lease Agreement

1. That Section 1, entitled "LEASE SUMMARY" shall be and hereby is amended and shall read as follows:

1. **LEASE SUMMARY.**

a. **Leased Premises.** The leased commercial real estate (the "Premises") consisting of the real property legally described on attached Exhibit A, and all improvements thereon, and commonly described as 2705 Saint Andrews Loop, Suite A, consisting of approximately 1,321 square feet, together with a portion of Suite E consisting of approximately 400 square feet for a total of 1,721 square feet.

b. **Extended Lease Commence Date.** The term of this extended Lease shall be for a period of twelve (12) months, and shall commence on February 15, 2015 ("Commencement Date").

c. **Lease Termination Date.** The term of this Lease shall terminate at midnight on February 14, 2016. However, during the term, Tenant shall have the right to terminate the Lease without cause upon ninety (90) days advance written notice.

d. **Base Rent.** The base rental amount shall be Two Thousand Seven Dollars and 83/100s (\$2,007.83) per month. Rent shall be payable at the Landlord's address as provided in Section 1(h.) below, or such other place designated in writing by the Landlord.

h. Notice and Payment Addresses.

Landlord: Castlerock Holdings, LLC  
2705 Saint Andrews Loop, Suite E  
Pasco, WA 99301  
E-Mail:

Tenant: Shannon & Wilson, Inc.

2. **All Remaining Terms & Conditions.** All remaining terms and conditions of the Lease Agreement not inconsistent herewith, shall remain in full force and effect. The terms of the Lease Summary as provided above, shall supersede and replace such portions as specifically addressed within the Lease to the contrary.

**IN WITNESS WHEREOF,** the parties have executed this First Addendum to Lease Agreement on the day and year first written above.

**LANDLORD:**

**CASTLEROCK HOLDINGS, LLC,**  
a Washington limited liability company

By: \_\_\_\_\_  
\_\_\_\_\_

**TENANT:**

**SHANNON & WILSON, INC.,**  
a Washington corporation

By: \_\_\_\_\_  
(Signature)

By: \_\_\_\_\_  
(Printed Name & Title)

STATE OF WASHINGTON )

: ss.

County of Franklin )

On the 30<sup>th</sup> day of JANUARY, 2015, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared SCOTT JOHNSON to me known to be the Manager (Authorized Agent) of CASTLEROCK HOLDINGS, LLC, the limited liability company that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said limited liability company, for the uses and purposes therein mentioned, and on oath stated that he is 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 Walla Walla, WA  
My commission expires on: \_\_\_\_\_



STATE OF WASHINGTON )

: ss.

County of \_\_\_\_\_ )

On the \_\_\_ day of \_\_\_\_\_, 2015, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared \_\_\_\_\_ to me known to be the \_\_\_\_\_ (Authorized Agent) of SHANNON & WILSON, INC., 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 is 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 on: \_\_\_\_\_





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WASHINGTON STATE  
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ASSIGNMENT AND ASSUMPTION AGREEMENT  
(continued)

- 5. Further Assurances. Assignor and Assignee shall, on the written request of the other party, execute, acknowledge and deliver further documents and assurances and perform further acts that the other party reasonably requests in order to perform all of the obligations of this Assignment.
- 6. Counterparts. This Assignment may be signed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement.
- 7. Successors and Assigns. This Assignment shall be binding upon and inure to the benefit of the parties to this Assignment, their successors in interest and assigns.
- 8. Governing Law. This Assignment shall be governed by, construed and enforced in accordance with the laws of the State of Washington, and venue of any suit shall be in the county in which the Property is located.
- 9. Attorneys' Fees. If Assignor or Assignee sues to enforce this Assignment or obtain a declaration of either of their rights under this Assignment, the prevailing party in any such proceeding shall be entitled to recover its reasonable attorney fees and costs, incurred in the proceeding (including those incurred in any bankruptcy proceeding or appeal). In the event of trial, the amount of the attorney fees shall be as fixed by the court.

ASSIGNOR

_____	_____	_____	_____
Assignor's Name	Date	Assignor's Name	Date

By: \_\_\_\_\_  
Authorized Signature/Title

By: \_\_\_\_\_  
Authorized Signature/Title

ASSIGNEE

_____	_____	_____	_____
Assignee's Name	Date	Assignee's Name	Date

By: \_\_\_\_\_  
Authorized Signature/Title

By: \_\_\_\_\_  
Authorized Signature/Title

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COMMERCIAL TRUST ASSOCIATION  
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TENANT ESTOPPEL CERTIFICATE

This Tenant Estoppel Certificate is given by Shannon Wilson ("Tenant"), who leases space from: Tri-City Investor (the "Landlord") pursuant to that Lease Agreement dated February 15, 2013, (the "Lease"). Unless otherwise noted as an exception in Section 10, Tenant hereby certifies as follows:

1. **Premises Leased.** The Premises that Tenant leases consists of 7-172J + 400 square feet of space (the "Premises") in the property known as 2705 St. Andrews Loop, Suite A, Pasco, WA 99301 (the "Property"). Tenant occupies no other space in the Property other than the Premises.

2. **Lease Term; Extensions and Options.** The term of the Lease began on February 15, 2013 and will end on February 14, 2015. Tenant has accepted the Premises, is in occupancy, and is paying rent under the Lease. Tenant has no options to extend the Lease, and each extension is for 2 years. In addition, Tenant  does  does not have an option to lease other space at the Property, and Tenant  does  does not have a preferential right to purchase all or any part of the Premises or the Property.

3. **Rent.** Tenant is currently paying base rent under the Lease in the amount of \$ 1,720.84 and estimated triple net expenses in the amount of \$ 482.87 per month. The Lease provides for a base-year or expense stop in the amount of \$           . Tenant has paid the rent described above through and including the month of April, 2014, and Tenant has paid the estimated triple net expenses described above through the most recent billing period for such charges. Tenant is not entitled to any credits, concessions, bonuses, free rental periods, rebates, or other matters affecting the rent payable by Tenant under the Lease, and Tenant has not paid rent more than one (1) month in advance.

4. **Security Deposit.** A security deposit in the amount of \$ 1,720.84 has been paid to Landlord under the Lease, and Tenant has not given Landlord any other security or similar deposit.

5. **Assignment/Sublease.** Tenant has not assigned the Lease or sublet any portion of the Premises, and no person or entity other than Tenant is in possession of any portion of the Premises.

6. **Parking.** Tenant is entitled to            parking spaces. All of Tenant's parking spaces are  assigned  unassigned, and Tenant may use the spaces  at no additional charge  for \$            per month per space.

7. **Landlord's Obligations.** All of the currently existing obligations of Landlord under the Lease have been duly performed and completed. All improvements or repairs required under the terms of the Lease to be made by Landlord have been satisfactorily completed. All allowances and other payments due to Tenant by Landlord under the terms of the Lease have been paid in full. Tenant certifies that it has no offsets, claims, counterclaims or defenses against the enforcement of the Lease by Landlord, and no events have occurred that could give rise to an offset, claim, counterclaim, or defense against enforcement of the Lease by Landlord.

8. **Bankruptcy.** Neither Tenant nor any guarantor of the Lease is presently the subject of any proceeding pursuant to the United States Bankruptcy Code of 1978, as amended.

9. **Copy of Lease; Modifications.** Tenant certifies that the Lease attached to this Estoppel Certificate as Exhibit A is a true and correct copy of the Tenant's Lease including all riders, addenda, modifications, or amendments. Tenant further certifies that the Lease is in full force and effect and represents the entire agreement between Tenant and Landlord for the Premises. Finally, Tenant certifies that the Lease has not been modified or amended either orally or in writing, except as indicated in the Lease attached as Exhibit A.

