Lease

THIS LEASE is made this 16th day of May, 2009, between the CENTRAL PUGET SOUND REGIONAL TRANSIT AUTHORITY, a regional transit authority formed under the laws of the State of Washington ("Sound Transit"), and THE BOARD OF REGENTS OF THE UNIVERSITY OF WASHINGTON, an agency of the State of Washington ("University").

RECITALS

A. Sound Transit is developing a high capacity transit service in the central Puget Sound region which will include a light rail system ("Light Rail Transit System").

B. University owns the University’s Campus in Seattle, Washington, commonly referred to as “Section 16” and is fully described in RCW 28B.20.340 ("University’s Seattle Campus"). The University’s Seattle Campus is part of the real estate controlled by The Board of Regents of the University of Washington ("University Property") and may not be sold or condemned.

C. Sound Transit proposes to construct a portion of its Light Rail Transit System ("Project") through a portion of the University’s Seattle Campus. The Project will include the construction of an underground station near Husky Stadium (the “University of Washington Station”) and is intended, in part, to provide transit service to and from the University’s Seattle Campus.

D. University and Sound Transit entered into a Memorandum of Agreement dated as of July 12, 2000 (“MOA”) with regard to Sound Transit’s access to and use of University Property in connection with construction of the Light Rail Transit System and subsequently, the parties entered into a Master Implementation Agreement dated as of July 2, 2007 (“MIA”) governing Sound Transit’s entry on and use of University Property for the purpose of designing, constructing, operating, monitoring and maintaining the Light Rail Transit System.

E. The Project requires the demolition and relocation of some of the University’s existing facilities and pursuant to the MOA and MIA, Sound Transit is required to relocate these impacted facilities as acceptable to the University. After consultation and in agreement with the University, Sound Transit purchased modular building units for temporary use by the University while the Project is being constructed. These modular building units are to be located on University Property as agreed by the parties in Right of Entry Permit #2009.01.

F. Sound Transit and University desire to enter into a lease agreement by which Sound Transit leases to University the modular buildings to house the University’s services.

AGREEMENT

Now, therefore, in consideration of the covenants and promises contained in the Lease, and other valuable consideration, the parties agree as follows:

1. **Lease and Facilities.** Sound Transit hereby leases to University and University leases
from Sound Transit the following described facilities and their appurtenances including but not limited to ramps, stairs, compressor pads, conex boxes, external walk in freezers, fences, and retaining walls (collectively, the “Facilities”), as more particularly depicted on Exhibit A, attached and incorporated herein:


2. Use of Facilities. University may use the Facilities for the purpose of housing the services generally described below, or such other uses as the University deems reasonably appropriate for the location, and still generally within the purposes described for as long as this Lease remains in effect. For significant changes in use, University will consult with ST. University’s services and occupancy dates are listed below.

<table>
<thead>
<tr>
<th>Building</th>
<th>Description</th>
<th>Occupancy Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building 2A</td>
<td>Maintenance Office (Office for UW painters) (Includes 8’x10’ conex box to store paint)</td>
<td>Occupy by May 1, 2009 or earlier</td>
</tr>
<tr>
<td>Building 2B</td>
<td>Ticket Office (Ticket Booth)</td>
<td>Occupy by June 12, 2009</td>
</tr>
<tr>
<td>Building 2C</td>
<td>Concession Office (Kitchen/Office) (Includes 6’x17’ external walk-in freezer unit)</td>
<td>Occupy by August 1, 2009</td>
</tr>
<tr>
<td>Building 2D</td>
<td>Guest Services</td>
<td>Occupy by August 9, 2009</td>
</tr>
<tr>
<td>Building 3A</td>
<td>Husky Stadium (Restrooms)</td>
<td>Occupy by August 9, 2009</td>
</tr>
<tr>
<td>Building 3B</td>
<td>Husky Stadium (Concessions)</td>
<td>Occupy by August 9, 2009</td>
</tr>
</tbody>
</table>

University shall not use or allow the Facilities to be used for any improper, immoral, unlawful purpose; nor shall University cause, maintain or permit any nuisance in, on or about the Facilities. University shall not commit or suffer to be committed any waste in or about the Facilities.

3. Term. The term of this Lease shall commence on the date that it is signed by both parties and shall expire July 1, 2015 or when permanent relocation is in place as provided in the MIA and MOA, whichever is later.

4. Lease Fee. This lease is granted pursuant to Sound Transit’s obligations under the MIA and MOA, no additional payment by University is required.

5. Acceptance of Facilities. University has the right to accept the Facilities. University will have five (5) days to examine the Facilities after access is provided thereto, and to approve or disapprove the Facilities’ condition. If approved, the Facilities shall then be deemed accepted in an ‘as is’ condition. University shall not occupy a Facility until after it is accepted.

6. Services and Utilities. Sound Transit, at its expense, shall connect the Facilities to water, sewer, power and communication lines unless the parties agree otherwise.
University shall pay, when due, all charges for utilities and other services provided to or on behalf of University at the Facilities.

7. **Maintenance and Repairs.**

7.1 **Maintenance of the Facilities.** University shall, at its expense, maintain the Facilities, including, without limitation, all improvements to the Facilities, in good order, condition and repair, excepting only reasonable wear and tear.

7.2. **Repair of the Facilities.** University shall pay for and conduct any repairs to the Facilities to the extent the damage was caused by University or an employee, guest, or agent of University. Sound Transit shall pay for and conduct any repairs to the Facilities to the extent the damage was caused by Sound Transit or an employee, guest, or agent of Sound Transit.

8. **Alterations.** University may make alterations, additions, or improvements to the Facilities at University’s own expense after obtaining advance consent of the Sound Transit, which consent shall not be unreasonably withheld or delayed. In making such alterations, additions, or improvements, University agrees to comply with all applicable laws, ordinances, rules, and regulations of public authorities who have jurisdiction over the Facilities, and agrees to hold Sound Transit harmless from damage, loss, or expense, to the extent caused by University’s negligence or misconduct in performing alterations, additions, or improvements to the Facilities.

9. **Construction of Alterations and Improvements.** Any Alterations or Improvements shall be constructed by a licensed contractor or University’s Facilities Service, in accordance with drawings approved in advance by Sound Transit.

10. **Permits and Licenses.** Sound Transit is solely responsible for securing any and all required franchises, licenses, and permits, at Sound Transit’s expense.

11. **Liens.** University shall pay for all materials and labor used on the Facilities and shall not allow any liens to attach to the Facilities.

12. **Access.** Sound Transit shall have the right to enter the Facilities at reasonable times and after seventy-two (72) hours advance notice to University for purposes of inspection. University shall have twenty-four (24) hour access to the Facilities.

13. **Safety.** University shall conduct its activities in the Facilities in a safe manner and shall be responsible for the safety of all persons and property during the use of the Facilities. University shall maintain the Facilities in conformity with all applicable laws and regulations.

14. **Termination.** This Lease may only be terminated by the mutual agreement of the parties.

15. **Indemnification.** To the maximum extent permitted by law, Sound Transit shall defend, indemnify, and hold University and its Regents, officers, employees, and agents harmless
from and against all claims, demands, losses, damages, or costs, including but not limited to, damages arising out of bodily injury or death to persons and damage to property, arising out of or in any way resulting from the negligent acts or omissions of Sound Transit or its officers, employees or agents.

To the maximum extent permitted by law, University shall defend, indemnify, and hold Sound Transit and its officers, employees, and agents harmless from and against all claims, demands, losses, damages, or costs, including but not limited to, damages arising out of bodily injury or death to persons and damage to property, arising out of or in any way resulting from the negligent acts or omissions of University or its officers, employees or agents.

16. **Insurance.** University shall maintain, at its expense, throughout the term of the Lease self insurance as described in [http://f2.washington.edu/treasury/riskmgmt/](http://f2.washington.edu/treasury/riskmgmt/), or equivalent coverage.

17. **Waiver of Subrogation.** Sound Transit and University hereby mutually release each other from liability and waive all right of recovery against each other for any loss from perils insured against under the respective fire insurance contracts, including any extended coverage endorsements thereto.

18. **Notice.** Unless expressly otherwise agreed between the parties all notices or responses required by this Lease shall be provided as set forth in the MOA and MIA.

19. **Miscellaneous.** The headings and sections and paragraphs of this Lease are for convenience of reference only and are not intended to restrict, affect or be of any weight in the interpretation of construction of the provisions of such sections or paragraphs. The MOA, the MIA, and the attachments and exhibits thereto and this Lease contain the entire agreement between the parties concerning the Facilities and, in executing this Lease, Sound Transit and University do not rely upon any statement, promise, or representation, whether oral or written, not expressed herein. This Lease shall not be modified except by written amendment and mutual consent of the parties.
20. **Assignment.** This Lease and the rights, duties and obligations given hereunder may not be assigned, transferred, or otherwise conveyed by the University, except to concessionaires, without the prior written consent of Sound Transit, which shall not be unreasonably withheld.

IN WITNESS WHEREOF the parties hereto have signed this Lease as of the day and year first above written.

**SOUND TRANSIT:**
CENTRAL PUGET SOUND REGIONAL TRANSIT AUTHORITY

Signature

Title: Executive Director

Date: 5/1/09

**UNIVERSITY:**

Signature

Title: Director of Real Estate

Date: 5/1/09

Approved as to Form

Sound Transit Legal Counsel

Assistant Attorney General
Exhibit A

Depiction of Facilities