

ADDENDUM TO PURCHASE AND SALE AGREEMENT

This Addendum, dated for reference purposes this _____ day of _____, 2019, is part of the Real Estate Purchase and Sale Agreement between **AURORA MINI WAREHOUSE LLC** ("Seller"), and **CITY OF SHORELINE** ("Buyer"). The provisions of this Addendum shall supersede any inconsistent provision of the Purchase Agreement.

1. **PROPERTY.** The Property to be conveyed per the terms of this Agreement shall not include any personal property other than the on-site office printer. Also excluded from the property to be conveyed shall be all intangibles associated with the Property including the "Storage Court" name and trademark, and any websites, marketing materials or similar materials advertising or promoting the "Storage Court" brand.

2. **PURCHASE PRICE.** The total purchase price is **SEVENTEEN MILLION AND 00/100 DOLLARS (\$17,000,000.00)**.

3. **CONVEYANCE OF TITLE.** The Deed, in addition to the Permitted Exceptions and other matters described as provided in Section 2.1 of the Purchase Agreement, shall also be subject to the following: "All claims for adverse possession or prescriptive rights not known to Seller on or before the date of Closing, which might be held by third parties".

4. **CONTINGENCIES.** The following provisions of Section 3 of the Purchase Agreement are hereby amended:

(a) **Section 3.2.1.** Seller's only obligation is to cooperate with Buyer's investigation.

(b) **Section 3.2.2** (b) Seller shall provide Buyer with a computer summary of the rental agreement data within 7 days of the date of execution of this Purchase and Sale Agreement.

(c) **Section 3.2.3 Buyer** acknowledges that its right of access shall not include the right to access storage units occupied by third parties.

5. **SELLER'S REPRESENTATIONS, WARRANTIES AND COVENANTS.** The following provisions of Section 5 of the Purchase Agreement are hereby amended:

(a) **Section 5.4.** Buyer acknowledges that it has an obligation under applicable law to pay the cost to move personal property of the Seller, and of all other occupants of the Property. Any personal property of Seller which remains on the Property at the time of closing shall be deemed abandoned, and may be relocated by Buyer to a garbage transfer facility or to any other location chosen by Buyer. The question of how to deal with personal property remaining on the Property in storage units where the occupant or former occupant is entitled to relocation benefits is an issue between the Buyer and the occupant or former occupant, and does not trigger any obligation on the part of Seller.

(b) **Section 5.5.** The first sentence of Section 5.5 is hereby modified to read as follows: "Seller, to the best of Seller's knowledge formed after diligent review which review did not include any inspection of the items transported to and stored by third parties in rented storage units, represents and warrants .

.. ." The second sentence of Section 5.5 is hereby modified to read as follows: "Seller has not received notice of any proceedings, claims, or lawsuits arising out of its operations on the Property and, to the best of Seller's knowledge, the Property is not ..."

(c) **Section 5.6.** Seller shall pay a real estate commission in the amount of 2.5% of the Purchase Price to allocated (i) 1.25% to Sandy Piha at Coldwell Banker Bain Mercer Island, and (ii) 1.25% to David Azose at Azose Commercial Properties Mercer Island.

(d) **Section 5.7.** Buyer, notwithstanding the provisions of: (i) Section 5.7 or any other provision of the Purchase Agreement except for Seller's representations and warranties set forth in Section 5.5 of the Purchase Agreement which shall remain in full force and effect, or (ii) any other applicable law, releases and holds Seller harmless from all claims, costs, damages, and liability due to Hazardous Substances stored on the Property by occupants of the storage units. (The term "Hazardous Substances", for the purposes of this Purchase Agreement, shall include without limitation (a) those substances included within the definitions of "hazardous substances", "hazardous materials", "toxic substances", "hazardous wastes", or "solid waste", in any federal, state, municipal or local law, statute, ordinance, regulation, order or rule pertaining to health, industrial hygiene, or environmental condition, (b) petroleum products and petroleum byproducts, (c) polychlorinated biphenyls, and (d) chlorinated solvents.)

6. **CLOSING.** The date of closing shall be January 3, 2020 (the "Closing Date").

7. **NOTICES.** Section 7 of the Purchase Agreement is amended as follows:

(a) All notices shall also be sent by e-mail. The Seller's e-mail address is: dazose@azose.com. The Buyer's email address is: ndaum@shorelinewa.gov.

(b) All notices to Seller shall also be sent to Seller's counsel Daryl A. Deutsch which notice need only be sent by e-mail as follows: daryl@rdtlaw.com

(c) All notices to Buyer shall also be sent to Buyer's counsel Mike Kenyon which notice need only be sent by e-mail as follows: mike@kenyondisend.com

8. **TERMINATION OF OFFER.** Section 11 of the Purchase Agreement (which section terminated Buyer's offer if not accepted by August 1, 2019) is hereby stricken.

9. **RELOCATION** added as Section 14 of the Purchase Agreement

9.1 Seller shall continue to have the right to rent vacant or vacated storage units to third parties until the date of Closing.


9.2 Buyer shall not (i) pay any self-storage occupant of the Property to relocate, (ii) reimburse any self-storage occupant that has relocated, or (iii) take any action to encourage or facilitate a relocation by a self-storage occupant, until on or after the Closing Date. Notwithstanding any provision of this Purchase and Sale Agreement, Buyer shall provide General Information Notices to displacees and potential displacees as required by law or generally accepted relocation practices so long as said notices expressly state that in no circumstance will they be required to move prior to January 3, 2020..

9.3 Buyer is acquiring interest of the Seller as Landlord under leases (Tenant Leases) affecting the Property without limitation. Such leases include those leases of space in the improvements or of the Land, as well as any other leases of space in the improvements or of the Land entered into by Seller after the date of this Agreement. Seller shall provide copies of the Leases, together with an accounting of any security deposits or pre-paid rents collected or held by Seller to Buyer by November 15, 2019. Seller shall not (i) pay or otherwise induce any self-storage occupant of the Property to relocate or (ii) take any action to encourage or facilitate a

relocation by a self-storage occupant. At closing, Seller shall execute an assignment and assumption of the Tenant Leases in a form mutually agreeable to Seller and Buyer.

10. **BUYER'S RIGHTS ON DEFAULT BY SELLER** added as Section 15 of Purchase Agreement

In the event the Closing and the consummation of the transaction contemplated by this Agreement do not occur as a result of a material default by Seller, then upon Buyer's written notice to Seller of such material default and Seller's failure to cure within ten days of receipt of Buyer's notice, Buyer's exclusive remedies will be to either (i) pursue the right to specific performance through a court of competent jurisdiction, which action for specific performance must be brought not later than one hundred eighty (180) days following the Closing Date; or (ii) terminate this Agreement by delivery of notice of termination to Seller, in which case the Deposit and any other monies delivered to Title Company by Buyer and interest thereon while in escrow will immediately be returned to Buyer (including any portion previously released to Seller shall be paid by Seller to Buyer). In such case, Seller will be responsible to pay any title or escrow fees charged by Title Company in connection with cancelling the escrow, and except for any provisions of this Agreement that expressly survive its termination, neither party will have any further rights or obligations under this Agreement.

<p>SELLER</p> <p>AURORA MINI WAREHOUSE LLC</p> <p>_____</p> <p>Printed Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>	<p>BUYER</p> <p>CITY OF SHORELINE</p> <p></p> <p>Printed Name: <u>Debbie Terry</u></p> <p>Title: <u>City Manager</u></p> <p>Date: <u>September 26, 2019</u></p>
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Seller: _____

Buyer: 