

LEASE AMENDMENT NO. 4

PORT OF OLYMPIA GROUND LEASE AIRPORT

THIS LEASE AMENDMENT NO. 4 is made this _____ of _____, 2026, by and between the **PORT OF OLYMPIA**, a Washington municipal corporation, (the “Port”) as Lessor and **OLYMPIA HANGAR CONDOMINIUM ASSOCIATION**, a Washington non-profit corporation, (“Tenant”), as Lessee. Together the Port and Tenant are referred to herein as “Parties.”

W I T N E S S E T H:

WHEREAS, the Port entered into the original Lease Agreement dated October 1, 1996 (the “Lease”), covering specific premises owned by Port and leased to H.U., Inc. d/b/a Hangars Unlimited, Inc., (hereinafter referred to as “Hangars”), for construction of airplane hangars, with a term duration of thirty (30) years and with one (1) option to renew for an additional thirty (30) years; and

WHEREAS, the Lease included an option for the lease of additional land, (the “Option”) to be executed during the first five (5) years of the Lease term; and

WHEREAS, the Port and Hangars executed Lease Amendment No. 1, dated October 4, 2001, for the purpose of extending the term during which the Option for Additional Land may be exercised (which expired); and

WHEREAS, a Condominium Declaration was filed with respect to the Premises subject to the Lease for Olympia Hangar Condominium Association, as recorded with Thurston County on May 14, 1997 in File #3088388 and a Binding Site Plan was filed April 24, 1997 in File #3084881; and

WHEREAS, pursuant to the Condominium Declaration for Olympia Hangar Condominium Association, recorded on May 14, 1997, the Tenant under the Lease as of such date is Olympia Hangar Condominium Association, a Washington non-profit corporation (“Tenant”), and was assigned all right, title, and interest in and to the Lease and the Premises, subject to certain rights of Hangars as Declarant under the Condominium Declaration; and

WHEREAS, the Port and Tenant amended executed Lease Amendment No. 2, dated December 12, 2012, for the purpose of changing the rent revision method for the remainder of the Lease, adjusting the rent and adjusting the surety requirement accordingly; and

WHEREAS, the Port and Tenant executed Lease Amendment No. 3, dated December 12, 2016, for the purpose of revising the manner in which the rent is calculated and adjusted for the remainder of the Lease term, and to adjust the surety requirement accordingly.

WHEREAS, Tenant has assumed and agrees to make all payments and perform all terms, conditions, and covenants of the Lease to be performed by Hangars under the Lease. Tenant represents and warrants that it is authorized to enter into this Lease Amendment No. 4 on behalf of itself and the Condominium Unit Owners.

WHEREAS, the Port and Tenant now desire to amend the Lease to memorialize the Tenant's exercise of the final option to renew as well as adjustments to the monthly rent and the surety requirement.

WHEREAS, the Port acknowledges that Tenant delivered written notice of its exercise of the renewal option on October 31, 2025 (received by the Port on November 5, 2025), not less than 180 days prior to the expiration of the initial term, and that, to the Port's knowledge, Tenant was not in default of its obligations under the Lease at the date such notice was due or at the date the renewal term is to commence.

NOW THEREFORE, IT IS HEREBY MUTUALLY AGREED that the Lease between the parties shall be amended as follows:

1. Paragraph 1, **LEASE SUMMARY, TERM** shall be amended as follows:

The Term is hereby extended for an additional thirty (30) years commencing October 1, 2026 and ending September 30, 2056. This amendment confirms there are no additional options to extend the term of this lease beyond September 30, 2056.

Port received advanced written notice from the tenant on November 5, 2025, via letter.

2. Paragraph 1, **LEASE SUMMARY, RENT** shall be amended as follows:

Effective October 1, 2026, the monthly Minimum Ground Rent shall be increased to meet the current Commission approved price per square foot of \$0.48 (forty-eight cents). Rent shall increase by three percent (3%) annually; however, at the commencement of every 5th year period (i.e., October 1, 2031, October 1, 2036, and so on), the Minimum Ground Rent shall be reset in accordance with the then Commission-approved rate; provided, however, that in no event shall the Minimum Ground Rent for any year be less than the Minimum Ground Rent payable for the immediately preceding year.

Tenant has requested, and Port has agreed, to calculate the Minimum Ground Rent for the first five-year (5) period of the renewal term and divide it by sixty (60) months for a payment due of Two Thousand Two

Hundred Fifty-Seven and 17/100 Dollars (\$2,257.17 USD) plus LET per month.

Term Period	Monthly Rent	LET currently 12.84%	Annual Rent	Annual Security (1 Year Rent + LET)
10/1/2026-9/30/2027	\$2,125.73	\$272.94	\$25,508.76	\$28,784.08
10/1/2027-9/30/2028	\$2,189.50	\$281.13	\$26,274.00	\$29,647.58
10/1/2028-9/30/2029	\$2,255.19	\$289.57	\$27,062.28	\$30,537.08
10/1/2029-9/30/2030	\$2,322.85	\$298.25	\$27,874.20	\$31,453.25
10/1/2030-9/30/2031	\$2,392.54	\$307.20	\$28,710.48	\$32,396.91
TOTAL FOR 5 YEAR TERM	\$135,429.72			
TOTAL MONTHLY	\$2,257.17	\$289.82		\$30,563.88

3. Paragraph 1, **LEASE SUMMARY**, **SURETY** shall be amended as follows:

Surety requirement shall be equal to Thirty Thousand Five Hundred and Sixty-Three and 88/100 Dollars (\$30,563.88 USD) submitted to the Port.

4. Paragraph 1, **LEASE SUMMARY**, **INSURANCE** shall be amended as follows:

Bodily Injury and Property Damage: Commercial General Liability insurance with limits of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate. The Port shall be named as an additional insured on all such policies. Tenant shall provide certificates of insurance and applicable endorsements evidencing the required coverage before commencing the renewal term and annually thereafter. Tenant shall provide complete copies of insurance policies upon the Port's request. All other insurance requirements of the Lease, including fire and extended coverage property insurance under Paragraph 21, shall remain in effect.

5. Paragraph 40, **NOTICES**, shall be amended as follows:

Notices to the Port shall be sent to:

Port of Olympia, 606 Columbia Street NW, Suite 200, Olympia, WA 98501, Attention: Lease Administrator.

Notices to the Tenant shall be sent to:

Olympia Hangar Condominium Association, 8133 Old Highway 99 SE, Tumwater, WA 98501.

6. The parties shall execute and record an amended Memorandum of Lease with the Thurston County Auditor reflecting the extended term through September 30, 2056 and the exhaustion of the renewal option, promptly following execution of this Amendment.
7. Tenant represents and warrants that its execution of this Amendment No. 4 has been duly authorized by the Board of Directors of the Olympia Hangar Condominium Association and, to the extent required by the Association's governing documents, by a vote of the Unit Owners, and that the person executing this Amendment on behalf of Tenant is duly authorized to do so.
8. The Leasehold Excise Tax ("LET") referenced in this Amendment shall be payable at the rate then in effect under applicable Washington State law (currently 12.84%). Changes in the LET rate shall not affect the calculation of the Minimum Ground Rent, and Tenant shall be responsible for LET at whatever rate is in effect from time to time.
9. This Amendment No. 4, together with the Ground Lease dated October 1, 1996, Lease Amendment No. 1 dated October 4, 2001, Lease Amendment No. 2 dated December 12, 2012, and Lease Amendment No. 3 dated December 12, 2016, constitutes the entire agreement between the Parties with respect to the Premises. In the event of any conflict between this Amendment No. 4 and any prior amendment or the Ground Lease, this Amendment No. 4 shall control.

THE REST AND REMAINDER of the Lease shall remain in full force and effect and is affirmed and ratified by the signatures of the parties.

SIGNATURES ON THE NEXT PAGE

LESSOR:
PORT OF OLYMPIA

TENANT/LESSEE:
OLYMPIA HANGAR
CONDOMINIUM ASSOCIATION

By: _____
Alexandra K. Smith
Executive Director

By: _____
Gerald F. McCafferty
President

Approved as to Form by Port of Olympia General Counsel:

By: _____

STATE OF WASHINGTON)
) ss
COUNTY OF THURSTON)

I certify that I know or have satisfactory evidence that Alexandra K. Smith is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the Executive Director of the Port of Olympia, to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

DATED this _____ day of _____, 2026.

Print Name:

NOTARY PUBLIC in and for the State of
Washington, residing at

My commission expires: _____

STATE OF WASHINGTON)
) ss
COUNTY OF THURSTON)

I certify that I know or have satisfactory evidence that GERALD F. MCCAFFERTY is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the President of Olympia Hangar Condominium Association, to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

DATED this _____ day of _____, 2026.

Print Name:

NOTARY PUBLIC in and for the State of
Washington, residing at

My commission expires: _____

RATIFICATION

This **Amendment No. 4** shall be subject, as a condition subsequent, to ratification by the Port of Olympia Commission within thirty (30) days after the date set forth on Page 1. This Amendment No. 4 shall be effective and binding on the parties until such time and thereafter if ratified. If this **Amendment No. 4** is not ratified, as required herein, it shall terminate and be of no further force and effect.

The undersigned confirms that this Lease was ratified by the Port of Olympia Commission on _____, 2026.

Port of Olympia Commission

By: _____

Its: _____

Date: _____

STATE OF WASHINGTON)
COUNTY OF THURSTON) ss

On this _____ day of _____, 2026, personally appeared before me _____, to me known to be the President of the Port of Olympia Commission, the municipal corporation named in the within and foregoing **Amendment No. 4**, and acknowledged to me that she signed the same on its behalf, as she is so authorized to do, as her free and voluntary act and deed for the uses and purposes therein mentioned.

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

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