

LEASE MODIFICATION

This lease modification agreement entered into by and between The Firs Bible and Missionary Conference (Landlord) and Northwest Education Service District 189 (Tenant).

Recitations

The Landlord and Tenant entered into a lease executed April 3, 2009 covering certain premises described as follows:

The leased premises are a part of what is commonly known as 4604 Cable Street, Bellingham, Whatcom County, Washington described as follows:

Lots 25 to 30 inclusive, Block 16, Plat of West Geneva on Lake Whatcom, according to the Plat thereof recorded in Volume 2 of Plats, page 55, Records of Whatcom County, Washington, together with north half of vacated Desmond Street also known as 1st Street abutting thereto on the south, and north 35 feet of Lots 1 and 2, and the north 20 feet of the west 25 feet of Lot 3, Block 19, West Geneva on Lake Whatcom, Records of Whatcom County, Washington, together with south half of vacated Desmond Street also known as 1st Street abutting lots 1, 2, 3, and 4, Block 19 on the north.

The following buildings are located on the above described real property: Rutledge, Welch, Sigurdson and Vanstone. The Tennant's rights covering the use of the Sigurdson building are limited to the upper floor only.

It is now the desire of the parties to make certain changes in the provisions of this lease.

Agreement

Section III - Rent is changed as follows:

Monthly Rent: (Section 3.1) Effective each September 1 the base rental rate is to be adjusted upward or downward in accordance with the prior year's Seattle consumer Price Index (CPI). For the 12 month period ending August 31, 2010 the CPI-U rate increased 0.2 percent (see enclosed Bureau of Labor Statistics News Release, which can be found at <http://stats.bls.gov/ro9/cpiseat.pdf>). When applied to the base rent of \$8,735 it results in an addition of \$17.47 per month or a new monthly rent, retroactive to September 1, 2010, of \$8,752.47.

Section V - Utilities changed as follows:

Utilities: (Section 5) Currently the tenant pays \$845 monthly towards the annual cost of utilities. For the first year ending August 31, 2010 there is a shortfall of \$316.49 in the utilities account. Please see the attached spread sheet. This amount will be added to the October invoice in order to bring the first year up to current. ~~I suggest that the monthly utilities be increased by \$30 in order to anticipate the cost of utilities during the second year of the lease.~~ The monthly utilities contribution ~~would~~ *will* become \$875.

AWJ
10/21/10

Section VII - Maintenance of Premises, No Change:

Grounds Maintenance: (Section 7.1) At the request of the tenant the landlord is currently providing grounds maintenance for an additional monthly fee of \$374. There is no adjustment to this fee for the second year of the lease. The tenant is free to continue this service or decline it at your pleasure.

Accept
AWJ
10/21/10

Repairs by Landlord; Maintenance and Repair Charges: (Section 7.4) (Appears on the monthly invoice as Building Maintenance) Repairs to the facilities not covered by the landlords warranty are currently being prepaid at the rate of \$40 per month. As of August 30, 2010, \$480 has been accumulated for that purpose and no charges have been made against it. ~~It is your option to~~ Continue to pay into an account for that purpose at the same rate ~~or a different rate.~~ A reminder that the landlord's warranty was extended for the term of the lease which is three years. After the current lease expires the lease will revert to the "triple-net" concept that was originally negotiated. As a triple-net lease the tenant will be responsible for the cost of all maintenance and repairs.

AWJ
10/21/10

Section VIII - Insurance and Indemnity. No change:

Insurance: (Section 8.5) The landlord does not anticipate an increase in insurance costs and therefore the current contribution of \$281 will remain in effect.

Summary:

	Previous Charges:	Charges as of 9/1/10	Difference:
Base Rent:	\$ 8,735.00	\$ 8,752.47	+\$ 17.47
Utilities:	\$ 845.00	\$ 875.00	+\$ 30.00
Grounds Maint:	\$ 374.00	\$ 374.00	\$ 00.00
Building Maint:	\$ 40.00	\$ 40.00	\$ 00.00
Insurance:	\$ 281.00	\$ 281.00	\$ 00.00
Total:	\$10,275.00	\$10,322.47	+\$ 47.47

The provisions of this agreement on the date executed by the last required party, will modify the lease identified above and will be effective as of September 1, 2010. All other provisions not in conflict with this modification shall remain in full force and effect.

(Acknowledgement by The Firs Bible and Missionary Conference)

STATE OF WASHINGTON)
)
COUNTY OF Whatcom) ss.

On this 2nd day of November 2010, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Tom Beaumont, to me known to be the Executive Director of The Firs Bible and Missionary Conference, that executed the within and 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 is authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Julianna S. Johnston
NOTARY PUBLIC in and for the State of
Washington, residing at

Printed Name Julianna S. Johnston

My commission expires 12.9.2013

