

LEASE AGREEMENT

17355

THIS LEASE AGREEMENT (this "Lease") is made and entered into, and is effective as of this 14th day of September 2010 (the "Effective Date"), by and between the City of Olympia, a municipal corporation ("Landlord"), and the Hands On Children's Museum ("HOCM"), a 501(c)(3) corporation organized and existing under the laws of the State of Washington ("Tenant").

Landlord and the Capitol Area Regional Public Facilities District (the "District") have entered into that certain Interlocal Agreement Between The City of Olympia and The Capitol Area Regional Public Facilities District for the Hands On Children's Museum Project dated November 30, 2006, recorded in the Thurston County public records on February 16, 2007 under recording number 3903560 (the "Interlocal Agreement").

Pursuant to the Interlocal Agreement, among other things, the District is authorized to assess and collect a sales and use tax (the "Sales Tax") within the District, a portion of which such Sales Tax may be used to fund construction of certain projects, including a portion of the improvements described herein, on the conditions set forth in the Interlocal Agreement and in accordance with the laws of the State of Washington.

Landlord desires to lease to Tenant, Tenant desires to lease from Landlord, the Premises (as hereinafter defined) located in Olympia, Washington, within which Landlord will construct certain "Cold Shell" (as hereinafter defined) improvements and within which Tenant will complete construction and internal improvements to accommodate a children's museum, and operate and maintain a children's museum, on the conditions set forth herein.

Landlord has the authority to lease the Premises to Tenant.

NOW, THEREFORE, Landlord and Tenant hereby agree as follows:

SECTION 1 - PROPERTY AND TERM

1.1 Description. For and in consideration of Tenant's covenant to pay the rental and other sums provided for herein, and the performance of the other obligations of Tenant hereunder, Landlord leases to Tenant, and Tenant leases from Landlord, the real property situated in the City of Olympia, County of Thurston, State of Washington (the "Property") described in **Exhibit A** attached hereto and incorporated herein by this reference, together with those certain improvements more fully described herein to be constructed on the Property. The Property and the Improvements (defined herein) taken together shall herein be referred to as the "Premises." The children's museum, as operated by Tenant in and on the Premises, shall herein be referred to as the "Children's Museum."

1.2 Term.

1.2.1 Initial Term. The initial term of this Lease ("Initial Term") shall commence on the Commencement Date (as defined in Section 3.1) and end at midnight on June 30, 2028 unless sooner terminated as provided herein (the "Termination Date").

1.2.2 Option Term. Tenant shall have the right to extend the term of this Lease (the "Extension Option") for one (1) option period of twenty-five (25) years (the "Option Period") from the date that the Initial Term would otherwise expire. The Initial Term, together with the Option Period (if the Extension Option is exercised), is sometimes hereinafter referred to as the "Term." If Tenant elects to exercise its Extension Option, it shall do so by giving Landlord written notice of such election at least six

(6) months prior to the end of the Initial Term. If Tenant gives that notice, the Term shall be automatically extended for the Option Period upon the same terms and conditions set forth herein.

1.2.3 Possession. From and after the Commencement Date, Tenant shall have possession of the Premises in order to complete construction of the Children's Museum building ("Museum Building") and to construct a parking lot ("Parking Facilities"), each in the location as shown in **Exhibit B** attached hereto, subject to the rights reserved by Landlord and in accordance with the other terms and conditions set forth herein; provided, that the Museum Building and Parking Facilities shall not be occupied until a certificate of occupancy has been obtained by Tenant. During the time between the Effective Date and the Commencement Date, Landlord shall permit Tenant reasonable access to the Property to prepare for completion of the construction of the Museum Building and to prepare for construction of the Parking Facilities.

1.3 Landlord's Warranties. Landlord represents and warrants that: (a) Landlord has the authority to enter into this Lease and its execution and delivery by Landlord has been duly authorized; and (b) Tenant shall at all times during the Term of this Lease have the right to peacefully and quietly have, hold and enjoy the Premises, subject to the terms of this Lease.

1.4 Tenant's Warranties. Tenant represents and warrants that: (a) Tenant has the authority to enter into this Lease and its execution and delivery by Tenant has been duly authorized; and (b) Tenant will operate the Premises in accordance with all of the provisions of this Lease.

SECTION 2 - RENT; CONSIDERATION

2.1 Rent. For the benefit of the District, the Landlord and their citizens Tenant shall provide the community benefits described in **Exhibit C** (the "Community Benefits") throughout the Term of the Lease. For and in consideration of the Community Benefits and annual rent payable by Tenant to Landlord equal to One Dollar (\$1.00) per year during the Initial Term, the sufficiency of which is hereby acknowledged, the parties have entered into this Lease. Rent during the Option Period shall be the same rate as during the Initial term provided Tenant continues to provide the Community Benefits to Landlord. If Tenant does not continue to provide the Community Benefits during the Initial Term or the Option Period, the rent will be based on the then applicable market rate unless otherwise mutually agreed upon in writing by the Tenant and Landlord.

2.2 Leasehold Excise Tax. In addition to and separate from the Rent payable hereunder, Tenant shall remit to Landlord on a monthly basis the leasehold excise tax (if any) imposed on this Lease.

SECTION 3 - COMPLETION OF MUSEUM BUILDING AND CONSTRUCTION OF PARKING FACILITIES ON THE PREMISES

3.1 Delivery of Cold Shell. Landlord shall obtain all necessary permits and construct the shell of the Museum Building in accordance with the plans and specifications set forth in **Exhibit D** ("Cold Shell"). The date on which Landlord delivers the Cold Shell to Tenant shall be the "Commencement Date." Tenant has provided Landlord with significant input on the design of the Cold Shell and will receive monthly updates from the Landlord on the progress of the construction of the Cold Shell. Tenant will be consulted prior to Landlord making a decision on any significant modifications to the Cold Shell concept that is set forth in **Exhibit D**.

3.1.1 Compliance with Law and Quality of Work. Landlord, at Landlord's sole cost and expense, shall cause all construction to be performed by or on behalf of Landlord under this Lease to be approved by all appropriate governmental agencies, and all applicable permits and authorizations shall be

obtained by Landlord as and when required. The Cold Shell shall be constructed and all work performed shall be in accordance with all valid laws, ordinances, regulations, and orders of all federal, state, county or local governmental agencies or entities having jurisdiction over the Premises. All work performed or authorized by Landlord pursuant to this Lease shall be done in a good workmanlike manner and only with new or recycled materials of good quality.

3.1.2 Designation of General Contractor. Landlord will contract for construction of the Cold Shell with a general contractor selected by Landlord.

3.1.3 Construction Contract. The contract for the construction of the Cold Shell shall contain standard contract provisions including warranties of work and materials, with such modifications, amendments and revisions as Landlord may determine in its business judgment. Landlord shall cause the Cold Shell general contractor to warrant that the Cold Shell shall be constructed in a good workmanlike manner and in substantial accordance with the plans and specifications set forth on **Exhibit D**. The General Contractor will provide a schedule for construction of the Cold Shell and such schedule will be provided to Tenant. Landlord will require that the General Contractor proceed toward completion of the Cold Shell with diligence.

3.1.4 Regular Meetings and Reports. The Landlord, in coordination with the Cold Shell general contractor, shall schedule and hold on a reasonably regular basis, and in no event less frequently than once per month following the commencement of construction, construction meetings for which the Tenant's designated representative shall be notified in a timely manner to allow for Tenant's designated representative to attend such Meetings. The Cold Shell general contractor shall maintain records which sufficiently and properly reflect construction to ensure compliance with the plans and specifications set forth on **Exhibit D**.

3.1.5 Notice of Other Meetings. Landlord shall keep Tenant's designated representative informed of the time and place of other Cold Shell project meetings to enable Tenant's designated representative to attend, become informed about the status of construction, and participate in discussions.

3.1.6 Substantial Completion. The Cold Shell shall be substantially completed under the terms of this Lease when Landlord delivers to Tenant a certificate stating that the Cold Shell has been built in accordance with the plans and specifications set forth on **Exhibit D**.

3.1.7 Landlord and Tenant Acceptance. Any disputes between Landlord and Tenant regarding acceptance of the Cold Shell by Tenant shall be resolved in accordance with the dispute resolution process provided in Sections 17 and 18 of this Lease.

3.1.8 Liens. Landlord shall keep the Premises free and clear from any liens arising out of any work performed, materials furnished or obligations incurred by Landlord.

3.1.9 Waste Disposal. Upon the completion of the Cold Shell, Landlord shall ensure that the Premises and the roadways and walkways immediately surrounding the Premises are cleaned to the reasonable satisfaction of Landlord, and that all tools, equipment and surplus materials, and waste materials, debris and rubbish have been removed from the Premises.

3.2 Duty to Construct and Install. After the Commencement Date, Tenant shall permit, construct and install, as applicable, or cause the permitting, construction and installation, as applicable, of (a) the Museum Building together with all tenant improvements ("Tenant Improvements"); (b) the Parking Facilities; and (c) all exhibits on the Premises for the Children's Museum ("Museum Exhibits"), each in

accordance with the terms and conditions of this Lease. The foregoing shall be at Tenant's sole cost and expense, and Tenant shall comply with all applicable laws, ordinances, rules and regulations, including without limitation, applicable prevailing wage requirements. Landlord shall have no obligations or liabilities, including for any costs or expenses, associated with the Tenant Improvements, the Parking Facilities, or Museum Exhibits at any time. Hereinafter, Tenant Improvements and Parking Facilities shall be referred to collectively as the "Improvements." For the purposes of this Lease, the "Museum Exhibits" are defined as those Exhibits set forth on **Exhibit E** and any alterations, replacements and substitutions therefor, all of which Tenant may undertake in the ordinary course of operating the Children's Museum.

3.2.1 Tenant Improvements. The Tenant Improvements shall be constructed according to the terms and conditions set forth in this Lease and consistent with the plans and specifications and other requirements to be finalized and mutually agreed upon by Landlord and Tenant and attached hereto through a written addendum as **Exhibit F** ("Approved Plans") and with the Interlocal Agreement. The Approved Plans may be modified through a written change order or material substitution as mutually agreed upon by Landlord and Tenant, which approval shall not be unreasonably denied or delayed. Tenant agrees (a) that commencement of the Tenant Improvements construction shall occur no later than 10 business days after Landlord delivers the Cold Shell to Tenant ("Construction Commencement Deadline"); and (b) that the Tenant Improvements and Museum Exhibits therein, must be completed in accordance with this Section 3 and open to the public in full operation as the Children's Museum in accordance with Section 4 hereof no later than 12 months following the Construction Commencement Deadline, unless an extension is approved in writing by Landlord ("Opening Date Deadline").

3.2.2 Parking Facilities. The Parking Facilities shall be constructed according to the terms and conditions set forth in this Lease and consistent with the Approved Plans and with the Interlocal Agreement. Tenant agrees that Parking Facilities must be completed in accordance with this Section 3 and open to the public in full operation no later than the Opening Date Deadline. The Tenant shall be responsible for maintaining and operating the Parking Facilities. In connection with its operation of the Parking Facilities, Tenant may charge a fee for use of such Parking Facilities and shall be responsible for paying any taxes associated with such fee. The foregoing maintenance and operation of the Parking Facilities shall be in accordance with and subject to any restrictions and requirements under (i) the Interlocal Agreement; (ii) the Statutory Warranty Deed ("Port of Olympia Deed") dated June 3, 2010 and recorded June 3, 2010 under Auditor's File No. 4153577 in the Thurston County Records; and (iii) any outstanding Tax-Exempt Obligations (as defined herein), including Tenant maintaining its status as a Tax-Exempt Organization (as defined herein).

3.3 Compliance with Law and Quality of Work. Tenant, at Tenant's sole cost and expense, shall cause all construction to be performed by or on behalf of Tenant under this Lease to be approved by all appropriate governmental agencies, and all applicable permits and authorizations shall be obtained by Tenant as and when required. The Improvements shall be constructed and all work performed shall be in accordance with all valid laws, ordinances, regulations and orders of all federal, state, county or local governmental agencies or entities having jurisdiction over the Premises. All work performed or authorized by this Lease shall be done in a good workmanlike manner and only with new or recycled materials of good quality.

3.4 General Contractor and Construction Contracts.

3.4.1 Designation of General Contractor. Tenant will contract for construction of the Improvements with a general contractor ("General Contractor") selected by Tenant.

3.4.2 Construction Contract(s). The contract for the construction of the Improvements ("Construction Contract(s)") shall contain standard contract provisions including warranties of work and materials, with such modifications, amendments and revisions as Tenant may determine in its business

judgment. The contract shall also contain language requiring the General Contractor to name the City of Olympia as an additional insured on its insurance policy. Tenant shall cause the General Contractor to warrant that the Improvements shall be constructed in a good workmanlike manner and in substantial accordance with the Approved Plans. Tenant shall cause the General Contractor to commence the work required under the Construction Contract(s) no later than the Construction Commencement Deadline and to complete the same within a timeframe that ensures that Tenant will meet the Opening Date Deadline.

3.4.3 Performance and Payment Bonds. Tenant shall require the General Contractor to furnish bonds (the "Bonds") covering faithful performance of the Construction Contract(s) and payment of obligations arising thereunder as stipulated in bidding requirements or specifically required in the construction documents on the date of execution of the Construction Contract(s). The Bonds shall contain standard AIA performance and payment bond provisions and name Tenant and Landlord as beneficiaries of the Bonds. Further, Tenant shall require General Contractor to promptly furnish a copy of the Bonds upon the request of Landlord. In the event of performance or payment issues by General Contractor, Tenant shall fully cooperate and satisfy all obligations for Landlord to assert claims and exercise any rights and remedies afforded to beneficiaries under the Bonds.

3.5 Coordination Meetings and Reports.

3.5.1 Regular Meetings and Reports. General Contractor and Tenant shall schedule and hold on a reasonably regular basis, and in no event less frequently than once per month following the Commencement Date, construction meetings with Landlord's designated representative. General Contractor (a) shall maintain records which sufficiently and properly reflect construction to ensure compliance with the Construction Contract(s); and (b) shall deliver a monthly report on the construction status to Landlord's designated representative.

3.5.2 Notice of Other Meetings. General Contractor shall keep Landlord's designated representative informed of the time and place of other project meetings to enable Landlord's designated representative to attend, become informed about the status of construction, and participate in discussions.

3.6 Substantial Completion. The Improvements shall be substantially completed when the following events have occurred (collectively, "Substantial Completion"):

3.6.1 The improvements are constructed in accordance with the Approved Plans subject to any mutually agreed change orders or approved substitutions.

3.6.2 Temporary Certificate of Occupancy. The City of Olympia Community Planning and Development Department has issued a temporary certificate of occupancy for the Tenant Improvements and permitted its use as a children's museum and has issued any required approvals or permits for the Parking Facilities.

3.6.3 Landlord and Tenant Acceptance. Landlord and Tenant have both accepted the Improvements as complete subject to completion of normal punchlist items. Any disputes regarding Landlord and Tenant acceptance of the Improvements shall be resolved in accordance with the construction dispute resolution process provided in the Construction Contract(s). On the date of Substantial Completion, Tenant shall deliver to Landlord a certificate stating that the Improvements have been built in accordance with the requirements of this Lease.

3.7 Opening Date. The Opening Date shall be the date the Children's Museum initially opens for business, which such day shall be as soon as reasonably possible, but no more than 180 days following the Substantial Completion of the Improvements, unless an extension is approved in writing by Landlord, and

shall in no event be later than the Opening Date Deadline. Tenant shall endeavor to provide Landlord with at least one (1) month prior written notice of its estimate of the Opening Date.

3.8 Liens; Indemnification of Landlord. Tenant shall keep the Premises free and clear from any liens arising out of any work performed, materials furnished or obligations incurred by Tenant. If Tenant, in Tenant's discretion and in good faith, determines that any such lien should be contested, Tenant shall, at Tenant's sole cost and expense, procure and record a lien release bond, in an amount equal to one and one-half (1.5) times the amount of the claim of lien, issued by an insurance company acceptable to Landlord that is authorized to do business in the State of Washington. The bond shall provide for the payment of any sum that the claimant may recover on the claim (together with costs of suit, if any recovered in the action). Tenant's failure to procure and record such lien release bond within thirty (30) calendar days after demand by the Landlord shall be deemed a default by Tenant under the terms of this Lease. Tenant agrees to hold Landlord and the Premises free and harmless of, and to indemnify Landlord against, all liability from any and all such liens, claims or demands, together with costs and expenses, including but not limited to reasonable attorney's fees, and other costs incurred by Landlord in connection therewith or arising out of Tenant's failure to comply with the requirements of this Section, which indemnity obligation shall survive the termination of this Lease in accordance with Section 19.4 hereof. Tenant shall pay to Landlord within thirty (30) calendar days after written demand, all such costs and expenses incurred by Landlord.

3.9 Waste Disposal. Tenant shall secure and provide on-site containers for the collection of waste materials, debris and rubbish associated with the construction of the Improvements. Tenant shall keep the work site and all adjacent property free from the accumulation of waste materials, rubbish and windblown debris associated with the construction of the Improvements and shall dispose of all flammable, hazardous and toxic materials generated by or otherwise associated with the work. Storage and disposal shall be in accordance with Title 40 CFR, WAC Ch. 173-303 and Title 49 CFR and state and local fire codes and regulations. All waste materials, debris and rubbish generated by or otherwise associated with the construction of the Improvements shall be disposed of legally at disposal areas away from the Premises. Upon the completion of the Improvements, Tenant shall ensure that the Premises and the roadways and walkways immediately surrounding the Premises are cleaned to the reasonable satisfaction of Landlord, and that all tools, equipment and surplus materials, and waste materials, debris and rubbish have been removed from the Premises.

SECTION 4 - USE AND OPERATION OF PREMISES

4.1 Generally. The Premises is leased to Tenant for the purposes of (a) constructing the Improvements; (b) operating a children's museum on the Premises; (c) holding events that are consistent with and advance the purposes of a children's museum; (d) maintaining the Improvements; and (e) providing the Community Benefits and for no other purpose without the prior written consent of Landlord which consent may be withheld by the Landlord if the Landlord determines that the request would violate any restrictions or requirements under (i) the Interlocal Agreement; (ii) the Port of Olympia Deed; and (iii) any outstanding Tax-Exempt Obligations, including Tenant's obligation to maintain its status as a Tax-Exempt Organization.

4.2 Use. From and after the Commencement Date until the Opening Date, Tenant shall construct the Improvements in accordance with Section 3. From and after the Opening Date until the Termination Date, Tenant shall continuously use, operate and maintain the Premises (including routine repairs) as a children's museum which is open to members of the general public during its normal business hours (a) in accordance with this Lease, including the requirement to provide the Community Benefits; (b) in accordance with the applicable operating specifications required to ensure that the Premises are operated consistent with the type of LEED certification that is obtained for the Premises; and (c) in good order, condition and repair in accordance with practices prevailing in comparable children's museums. The Tenant will consult with the Landlord regarding compliance of the Children's Museum policies, schedules and rates

with the requirement that the Tenant provide the Community Benefits. When the Children's Museum opens and during the first year of operation as necessary, Tenant shall provide marketing and education programs aimed at familiarizing the members of the general public with the new location and existence of the Children's Museum and the programs available to the citizens of the District.

4.3 Maintenance.

4.3.1 Tenant's Maintenance Obligations. Except as otherwise provided herein, Tenant, at its sole cost and expense, shall furnish the Premises, install its Museum Exhibits upon the Premises, and provide routine maintenance to keep the Premises in good condition and repair. Tenant's routine maintenance obligation shall include all equipment and Museum Exhibits located within the Premises which shall include, for example, surveillance and security equipment, fixtures, carpet, flooring, and other equipment necessary for Tenant's occupancy and operation of the Premises.

4.3.2 Landlord's Maintenance Obligations. Landlord shall, at its sole cost and expense, maintain the Cold Shell in good conditions and repair; provided, that Tenant shall promptly repair any damage or injury done to the Cold Shell by Tenant or its employees, agents, contractors or invitees. Tenant shall notify Landlord of any Landlord's Repair Items which require repair promptly after Tenant becomes aware of such damage.

4.3.3 Joint Repair Items. For the HVAC, elevators, pipes, plumbing system, and main entrance doors ("Joint Repair Items"), (i) Tenant shall be responsible for initial installation pursuant to Section 3.2, routine maintenance and, where damage or injury was caused by Tenant or its employees, agents, contractors or invitees, for repairs or replacement, as required; and (ii) Landlord shall be responsible for non-routine maintenance and repair of the Joint Repair Items.

4.3.4 Services, Equipment, and Supplies. Except as specifically required herein, Landlord shall not be required to furnish any services, equipment or supplies, or to make any repairs, replacements, renewals, alterations or additions in or to the Premises; provided, however, in the event Tenant fails to perform Tenant's obligations under this Section, Landlord may at Landlord's option enter upon the Premises after ten (10) days' prior notice to Tenant and put the same in good order, condition and repair and the cost thereof shall be due and payable to Landlord within thirty (30) days after Landlord provides Tenant an invoice for the same. Tenant shall also be responsible for furnishing (a) Museum Exhibits materials; (b) office supplies such as paper goods, pencils, pens and staples; and (c) janitorial and custodial services for the Museum Building. Such services shall include, for example, (i) regular cleaning of all areas of the Museum Building; (ii) seasonal shampooing of carpets; (iii) seasonal washing of windows; (iv) snow removal; (v) changing of filters and day-to-day maintenance of the heating and air conditioning system, the plumbing and any other appliance, equipment, fixture or device; (vi) replacement of electric lights; (vii) keeping sidewalks clear and clean; and (viii) mowing and shrubbery trimming.

4.3.5 Capital Projects. Landlord's and Tenant's obligations concerning major capital repair and replacement projects are set forth in Section 4.8.

4.3.6 Ownership of Additions and Alterations. All repairs, replacements, renewals, additions and alterations of the Premises, except the Museum Exhibits and Tenant's personal property shall be and remain the sole and exclusive property of Landlord.

4.4 Operating Expenses. Except as otherwise provided herein, Tenant shall be responsible for all Operating Expenses of the Premises. "Operating Expenses" means all costs, fees and expenses directly related to the interest of Tenant in, and operation and maintenance of, the Premises whether such expenses are paid directly by Tenant or are the responsibility of Tenant under this Lease, including, without limitation:

(a) all utilities (including, without limitation, all gas, electricity, water, sewer service, telephone and other utilities located or used at the Premises); (b) except as otherwise provided herein, all reasonable and necessary expenses of maintaining or repairing the Premises in or to the condition required under this Lease (as provided in Section 4.3 hereof); (c) insurance premiums (as provided in Section 8.1 hereof); (d) real estate taxes and assessments (with respect to local improvement districts, public benefit districts and other assessment districts), if any, paid by Tenant (as provided in Section 5 hereof); (e) license fees, permit fees or other fees or charges which may be imposed from time to time on the use or possession of the Premises; (f) all salaries and wages of Tenant's employees and contractors; and (g) all costs of Museum Exhibits. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from all of the foregoing Operating Expenses.

4.5 LOTT Agreement. Tenant is entering into a separate agreement ("LOTT Agreement") with LOTT Clean Water Alliance, a Washington nonprofit corporation ("LOTT"), regarding provision by LOTT of a hot-water loop serving the Museum Building for One Dollar (\$1.00) per year in exchange for Tenant maintenance of, or reimbursement of LOTT for maintenance of, the mechanical system delivering and distributing such hot-water loop to the Museum Building. Tenant shall be solely responsible for such maintenance or reimbursement of maintenance costs and any replacement costs and Landlord shall incur no liability or obligations in connection therewith. The LOTT Agreement shall be subject to the terms and conditions of this Lease and to Landlord's approval, which approval shall not be unreasonably denied or delayed.

4.6 Records and Reporting. Tenant shall maintain accounts and records which sufficiently and properly respond to the record and reporting requirements in this Section 4.6. These records shall be maintained for a period of seven years after the Termination Date. Landlord shall have the right upon reasonable prior notice to Tenant and during Tenant's normal business hours to review Tenant's financial and other records for the Children's Museum to confirm any amounts or calculations required under this Lease. The reports required by this Section 4.6 shall be provided by Tenant from and after the Opening Date.

4.6.1 Annual Reports. Tenant will provide Landlord with copies of its annual reports to its Board and to its funders and a copy of its annual Form 990.

4.6.2 Community Benefit Reports. Tenant shall deliver an annual accounting of the Community Benefits to Landlord to ensure compliance with this Lease. The Community Benefits report shall be provided to Landlord on January 31st of each year and shall document the services provided based on statistics, including but not limited to, the number of vouchers redeemed by residents; the number, attendance and dollar amount of party rentals; the number of events and attendance at such events; the number of District residents, identified by zip code when possible, with an active membership at the Children's Museum, including the number of those receiving financial assistance; the number and types of joint special events; and other collaborations with Landlord.

4.6.3 Annual Budget. At least thirty (30) days prior to the Opening Date and by the end of January each calendar year thereafter, Tenant shall reasonably and consistent with this Lease prepare, and provide Landlord with a copy of, an annual budget for the Children's Museum. Such budget shall detail the anticipated Operating Expenses and shall, to the extent reasonably possible, allocate applicable costs associated with the Community Benefits.

4.7 Alterations. From and after completion of the initial construction of the Improvements, any material exterior alterations or modifications of, or additions to, the Improvements shall be subject to the prior written approval of Landlord, which approval shall not be unreasonably withheld or delayed. This approval process shall not apply to the Museum Exhibits or any non-structural changes made by Tenant that do not require a building permit. All alterations, additions or improvements made by Tenant shall be made in

a good and workmanlike manner and in compliance with all laws. Any alterations, changes, improvements and additions made by Tenant except Museum Exhibits shall immediately become the property of Landlord and shall be considered a part of the Improvements.

4.8 Capital Replacement. Pursuant to the Interlocal Agreement, any Sales Tax Revenue (as defined therein) that exceeds the amount required for repayment of the Bonds (as defined therein) shall be deposited in a capital repair and replacement account for the Museum Building ("Capital Repair and Replacement Account"). Proceeds from this account will be used first to reimburse the Landlord for any Bond payments made in excess of the Sales Tax Revenue available at the time a Bond payment was made or will be made. After all such reimbursements to Landlord have been made, any remaining proceeds will be applied to fund capital repairs and replacements agreed to by Landlord and Tenant. At the end of the tenth (10th) year of the Initial Term of this Lease and every seven (7) years thereafter during the Initial Term and any Option Period, Landlord and Tenant will meet to review the projected need for capital repair and replacements to the Museum Building and to evaluate the need for funds in excess of those in such Capital Repair and Replacement Account and to identify potential revenue sources. During the first ten (10) years of the Term, to the extent that the Capital Repair and Replacement Account is insufficient to cover any required capital repairs and replacements, Landlord shall be responsible therefor. To the extent the Capital Repair and Replacement Account at the beginning of the Option Period, or any time during the Option Period, is insufficient to cover the projected need for capital repairs and replacements to the Museum Building, Landlord and Tenant will equally provide the necessary additional funding, and will cooperate to create a plan concerning the timing and mechanisms for such funding. If the parties are unable to reach agreement on a joint plan for funding the Capital Repair and Replacement Account within six (6) months of either party providing notice that additional funding and the creation of a plan is necessary, the matter will be resolved pursuant to the dispute resolution process in Sections 17 and 18.

4.9 Uses Prohibited.

4.9.1 No use or operation will be made, conducted or permitted on any part of the Premises by Tenant which would violate any restrictions or requirements under (i) the Interlocal Agreement; (ii) the Port of Olympia Deed; and (iii) any outstanding Tax-Exempt Obligations, including Tenant maintaining its status as a Tax-Exempt Organization.

4.9.2 Tenant shall not use the Premises or permit anything to be done in or about the Premises which will in any way conflict with any law, statute, ordinance or governmental rule or regulation or requirement of duly constituted public authorities now in force or which may hereafter be enacted or promulgated.

4.9.3 Tenant shall not discriminate against any employee, applicant for employment, or any person seeking services at or use of the Premises on the basis of race, color, handicap, creed, sex, sexual orientation, age, national origin, marital status, genetic information or presence of any sensory, mental or physical handicap. The parties shall comply with all applicable federal and state nondiscrimination laws, regulations and policies as applied to the obligations under this Lease.

4.9.4 Consumption of alcohol on the Premises shall be limited to special events consistent with the terms and conditions of this Lease and shall be governed by the terms and conditions of any required event permit which the Tenant shall ensure is obtained without any costs or liabilities on behalf of Landlord.

4.10 Environmental/Hazardous Substances.

4.10.1 Tenant's Covenant. Tenant covenants and agrees that hazardous substances or materials, as defined in the Environmental Laws, shall not be generated, processed, stored, transported,

handled or disposed of on the Premises by Tenant, its agents, employees, contractors, or invitees. Tenant shall immediately notify Landlord if Tenant becomes aware of (a) any hazardous substance release, or other hazardous substance problem or liability with respect to the Premises that arise after the Commencement Date; (b) any actual or alleged violation with respect to the Premises of any Environmental Law that arises after the Commencement Date; or (c) any lien or action with respect to any of the foregoing that arises after the Commencement Date. Tenant shall, at its sole expense, take all actions as may be necessary or advisable for the cleanup of hazardous substances with respect to the Premises which may be necessitated as a result of Tenant's violation of this Section, including, without limitation, all removal, containment and remedial actions in accordance with applicable Environmental Laws and shall further pay or cause to be paid all cleanup, administrative and enforcement costs of governmental agencies that result from such violation if obligated to do so by Environmental Law. Tenant agrees to defend, indemnify and hold Landlord harmless from any and all claims, demands, costs, fees, penalties, charges and expenses incurred by or asserted or assessed against Landlord as a result of any hazardous substance placed on the Premises by Tenant, its agents, employees, contractors or invitees, and for any environmental liability created by Tenant's construction activities on the Property.

4.10.2 Landlord's Covenant. Except as provided in any Agreed Order concerning the Premises between Landlord, the Washington State Department of Ecology, LOTT and the Port concerning the Premises ("Agreed Orders"), Landlord agrees that hazardous substances or materials, as defined in the Environmental Laws, shall not be generated, processed, stored, transported, handled or disposed of on the Premises by Landlord, its agents, employees, contractors, or invitees. Landlord shall immediately notify Tenant if Landlord becomes aware of (a) any hazardous substance release, or other hazardous substance problem or liability with respect to the Premises not covered by the Agreed Orders; (b) any actual or alleged violation with respect to the Premises of any Environmental Law not covered by the Agreed Orders; or (c) any lien or action with respect to any of the foregoing. Except for the costs associated with the construction of the Parking Facilities and any liability arising out of Tenant's construction activities on the Property, Landlord shall, at its sole expense, take all actions as required of Landlord under the terms of the Agreed Orders. Except for the costs associated with construction of the Parking Facilities and any liabilities arising out of Tenant's construction activities on the Property, Landlord agrees to defend, indemnify and hold Tenant harmless from any and all claims, demands, costs, fees, penalties, charges and expenses incurred by or asserted or assessed against Tenant as a result of any hazardous substance placed on the Premises by Landlord, its agents, employees, contractors or invitees. Notwithstanding anything stated above, all costs incurred by Landlord in remediating any environmental condition on the Property will be considered part of Landlord's contribution to the costs of the Hands On Children's Museum Project.

4.11 Tenant's Tax Exempt Status; Future Actions to Preserve.

4.11.1 Tenant represents, warrants and covenants that (a) it has been determined to be and is a Tax-Exempt Organization; (b) it has not declared and has not been determined to have any "unrelated business taxable income" (as defined in Code §512) which could have a material adverse effect on its status as a Tax-Exempt Organization or which, if such income were subject to federal income taxation, could have a material adverse effect on the condition, financial or otherwise, of Tenant; (c) there has been no change or threatened change in the status of Tenant as a Tax-Exempt Organization as of the date of this Lease; and (d) so long as any tax-exempt general obligation bond or other tax-advantaged bond ("Tax-Exempt Obligations") remains unpaid, Tenant will maintain its status as a Tax-Exempt Organization and will take no action or permit any action to be taken that could result in the alteration or loss of its status as a Tax-Exempt Organization. "Tax-Exempt Organization" means a non-profit organization, organized under the laws of the United States of America or any state, that is described in Code §501(c)(3), is exempt from federal income taxes under Code §501(a), and is not a "private foundation" within the meaning of Code §509(a), or corresponding provisions of federal income tax laws from time to time in effect.

4.11.2 In order to maintain the exclusion of the interest on the Tax-Exempt Obligations from gross income for federal income tax purposes, Tenant, to the extent Tenant has control over such matters, (a) will take whatever action, and refrain from whatever action necessary to comply with the applicable requirements of the Code; (b) will not use or invest, or permit the use or investment of, any Tax-Exempt Obligation proceeds, other money held under the Tax-Exempt Obligation documents, or other funds of Tenant, in a manner that would violate applicable provisions of the Code; and (c) will not use, or permit the use of, any portion of the Premises in a manner that would violate applicable provisions of the Code.

4.12 Landlord's Right of Inspection and Access. Tenant's performance of its obligations under this Lease must meet the general approval of Landlord and shall be subject to Landlord's general right of inspection to secure the satisfactory completion thereof. Landlord and its authorized representatives shall have full access to enter the Premises at any time for any purpose related to this Lease; provided, however, that, except in the case of emergency, Landlord shall provide Tenant with reasonable prior written notice of its inspection of the Premises, shall give Tenant the opportunity to have a representative accompany Landlord during such inspection and shall not unreasonably interfere with ongoing programs and operations of the Children's Museum.

4.13 Surrender Upon Termination. Upon expiration or earlier termination of this Lease, Tenant shall remove Tenant's personal property and equipment unattached to the Improvements (excluding such equipment as is necessary for the proper operation of the Premises such as equipment related to the HVAC system but not business operation equipment, all of which shall become the property of the Landlord) and shall surrender the Premises to Landlord and any plans which Tenant then possesses, broom clean and in good condition (reasonable wear and tear excepted). Tenant's personal property and equipment not removed by Tenant at expiration or other termination or within a reasonable time thereafter shall be considered abandoned, and Landlord may dispose of such property in accordance with the law governing abandoned property in effect at the time of abandonment.

4.13.1 Museum Exhibits. Notwithstanding anything to the contrary in Section 4.13 above, and following any Event of Default by Tenant, all Museum Exhibits, as defined in, and subject to Tenant's rights set forth in, Section 3.2.1, are subject to the Landlord's first right to purchase and shall remain on the Premises until Landlord has either exercised or declined to exercise its first right to purchase some or all of the Museum Exhibits for the fair market value of the Museum Exhibits. Landlord or its designee shall have the right to use the Museum Exhibits to continue the operation of the Children's Museum during the timeframe set forth below while the market value of Museum Exhibits is being determined and the purchase of all of the Museum Exhibits is being completed. After the market value of the Museum Exhibits is determined, Landlord will have thirty (30) days to notify Tenant of its exercise of its first right to purchase the Museum Exhibits. If Landlord elects to purchase the Museum Exhibits under its first right to purchase, Landlord will make full payment for the Museum Exhibits being purchased within sixty (60) days of its notice to Tenant exercising its right to purchase unless otherwise agreed to by the Landlord and the Tenant. Landlord's first right to purchase the Museum Exhibits from the Tenant as set forth in this Section shall survive any termination of this Lease.

4.13.2 Intercreditor Agreement. Landlord and Tenant have also entered into an Intercreditor Agreement with Thurston First Bank ("Bank") concerning a security interest granted to the Bank by Tenant on the Museum Exhibits. The Intercreditor Agreement also grants Landlord a first right to purchase the Museum Exhibits, and any purchase of the Museum Exhibits by Landlord from the Bank will be completed pursuant to the Intercreditor Agreement.

4.13.3 Appraiser. Landlord and Tenant (or such lender as may have exercised its security interest in the Museum Exhibits) shall negotiate in good faith to select a third-party appraiser with at least five (5) years' experience in appraising personal property, with a preference for an appraiser who also has

experience in appraising exhibits or other types of artwork. If the parties are unable to agree on a mutually acceptable appraiser within fifteen (15) days of the triggering event, they shall promptly apply to the presiding judge of the Thurston County Superior Court to select an appraiser from lists provided by both parties. If possible, the appraiser shall perform the appraisal within thirty (30) days after selection, and the determination of fair market value by the appraiser shall be the price for the purchase of the Museum Exhibits if Landlord wishes to proceed to complete the purchase thereof. The fair market value to be determined by the appraiser is the value of the Museum Exhibits based on the assumption that they will remain in place on the Premises as part of the Children's Museum. If Landlord elects to purchase all of the Museum Exhibits, the parties shall share the appraisal costs equally.

4.13.4 Abandonment of Museum Exhibits. If the Landlord elects to not purchase the Museum Exhibits, the Museum Exhibits shall be removed from the Museum Building within forty-five (45) days of the date Landlord provides notice of its decision. The Museum Exhibits that will not be purchased by the Landlord and have not been removed by the end of the 45-day removal period shall become the property of the Landlord.

4.13.5 Tenant's Non-Competition Covenant; Radius Restriction. Tenant acknowledges that the Children's Museum will draw its users from a large geographic area and that the success of the Children's Museum and Regional Center are dependent upon generating user traffic to the Premises and the Regional Center.

A. Restrictions. Unless Landlord specifically consents in writing, which consent shall not be unreasonably withheld, conditioned or delayed, Tenant, and any person or entity who or which controls or is controlled by Tenant, or has substantially the same Board of Directors, may not build or operate a Children's Museum similar to the Premises (a "Competing Facility") within Thurston County during the Lease Term, unless such Competing Facility is developed in conjunction with Landlord. For purposes of this Section, Landlord shall not be deemed to have unreasonably withheld, conditioned or delayed Landlord's consent if Landlord determines that the Competing Facility may materially reduce attendance or use of the Children's Museum or the gross revenues of the Children's Museum.

B. Survival of Covenant. If this Lease or Tenant's right to possession of the Premises shall terminate prior to the stated expiration of the Lease Term as a result of a Tenant default, the provisions of this Section shall survive until the end of the Lease Term (which includes the Initial Term and the Option Period), unless a Children's Museum is no longer operated at the Premises.

SECTION 5 - ASSESSMENTS; IMPOSITIONS; CONTEST OF IMPOSITIONS

5.1 Impositions. Tenant shall pay when due each and every one of the following ("Impositions"): (a) all real property taxes or payments in lieu thereof due with respect to the Premises or any portion thereof; (b) taxes due or which may be due upon or with respect to the lease interest created by this Lease, or the rents payable or paid by Tenant to Landlord, including any business and occupation taxes and leasehold excise taxes, but excluding any tax measured by net income; (c) all taxes imposed on or with respect to personal property and intangibles located in or used in connection with the Premises; (d) all assessments for public improvements or benefits which are assessed during the Term, and similar assessments and charges with respect to the Premises; and (e) all other rents, rates and charges, excises, levies, license fees, permit fees, inspection fees and other authorization fees and other charges, in each case whether general or special, ordinary or extraordinary, foreseen or unforeseen, of every character (including interest and penalties thereon), which at any time during or in respect of the Term may be assessed, levied,

confirmed or imposed on or in respect of or be a lien upon the Premises or any part thereof, or any estate, right or interest therein, or any occupancy, use or possession of or activity conducted on the Premises or any part thereof. Tenant will furnish to Landlord, upon request within thirty (30) days after the date any Imposition would become delinquent (unless being contested in conformity with Section 5.2), official receipts of the appropriate taxing authority or other proof satisfactory to Landlord evidencing the payment of such Imposition.

5.2 Permitted Contests. Tenant, at its sole cost and expense, may by appropriate legal proceedings conducted in good faith and with due diligence, contest the amount or validity or application, in whole or in part, of any Imposition or lien therefor, or any other lien, encumbrance or charge against the Premises arising from work done or materials provided to or for Tenant, if: (a) such proceedings suspend the collection thereof from Landlord, Tenant and the Premises, unless Tenant has furnished security as provided in section (b) below; (b) Tenant shall have furnished such security, if any, as may be required in the proceedings or is reasonably satisfactory to Landlord; and (c) Tenant shall give Landlord reasonable notice of, and information pertaining to, such contest and regular progress reports with respect thereto. Tenant shall indemnify, protect and hold harmless Landlord and the Premises from any lien or liability with respect to any such Imposition or contest thereof, including all costs and expenses related thereto. In addition, Tenant shall not unreasonably contest the formation of any business improvement district.

SECTION 6 - FINANCING

6.1 Tenant Mortgages. Tenant shall not have the right to hypothecate or otherwise pledge its lease interests under this Lease as security for obligations of Tenant, but Tenant shall have the right to grant to Bank a security interest in the Museum Exhibits to secure HOCM's indebtedness to the Bank.

6.1.1 Lender Protection. If Tenant grants a security interest in the Museum Exhibits to the Bank, Landlord agrees that no modification of this Lease that would have a material impact on the Bank's remedies under such Security Agreement entered into by the Bank and Tenant shall be effective, without the Bank's prior written approval.

6.1.2 Notice of Default to Bank. If Tenant defaults under the provisions of this Lease, Landlord shall concurrently serve the Bank with a copy of any notice of default served upon Tenant under this Lease. Notice to the Bank under this Section shall be sent to:

Thurston First Bank
Attention: Mr. Ken Pekola, Senior Vice President; Chief Credit Officer
Ms. Sandi Wilson, Vice President/Commercial Loan Officer
PO Box 7877
Olympia, WA 98507-7877
Ken.Pekola@thurstonfirstbank.com
Sandi.Wilson@thurstonfirstbank.com
phone: (360) 528-4110; fax (360) 705-4222

With Copy To:

Eisenhower & Carlson, PLLC
Attention: Mr. James M. Hushagen
Ms. Clemencia Castro-Woolery
1201 Pacific Avenue, Suite 1200
Tacoma, WA 98402
jhushagen@eisenhowerlaw.com
clemenciac@eisenhowerlaw.com

6.1.3 Time for Bank to Cure Default. The Bank, without prejudice to its rights against Tenant, shall have the same periods (which shall run concurrently) as are given Tenant for remedying such default or causing it to be remedied.

6.1.4 Banks Right to Cure. Subject to the restriction that the Bank is not allowed to cure a default of Tenant by doing so the Bank would violate any restrictions or requirements under (i) the Interlocal Agreement; (ii) the Port of Olympia Deed; and (iii) any outstanding Tax-Exempt or Tax Advantaged Obligations, Landlord shall (a) accept an allowed cure performance on the Bank's part as though performed by Tenant; and (b) from and after the Bank's commencement and continued cure of such defaults, not pursue any remedies against the Premises, the Security Agreement or Tenant's interest for any default.

6.2 Landlord Mortgages. Landlord shall have the right to hypothecate or otherwise pledge the income stream from this Lease as security for obligations of Landlord.

SECTION 7 - DAMAGE OR DESTRUCTION

7.1 Damage or Destruction.

7.1.1 Damage or Destruction Before Commencement Date. In the event there is any damage or destruction of the Cold Shell prior to the Commencement Date, Landlord shall repair or restore the Cold Shell improvements as nearly as practicable in full compliance with the requirements set forth in this Lease and all legal requirements and to the same condition, character and at least equal value and utility to that existing prior to such loss and so as to comply with the plans and specifications set forth on the attached **Exhibit D**; provided, however, modifications to conform to applicable laws, rules and regulations or available means of construction may be made. Notwithstanding the foregoing, the obligation to restore the Cold Shell shall be limited to the extent of the proceeds of insurance (less any deductible) that would be available with respect to the Cold Shell if Landlord were in full compliance with the requirements of Section 8.6 below.

7.1.2 Damage or Destruction After Commencement Date. In the event there is any damage or destruction of the Premises (including without limitation the Cold Shell) after the Commencement Date, Landlord shall repair or restore the Premises as nearly as practicable in full compliance with the requirements set forth in this Lease and all legal requirements and to the same condition, character and at least equal value and utility to that existing prior to such loss; provided, however, modifications to conform to applicable laws, rules and regulations or available means of construction may be made. Notwithstanding the foregoing, the obligations of Landlord to restore the Premises (including the Cold Shell) shall be limited to the extent of proceeds of insurance (less any deductible) that would be available if Landlord were in full compliance with the requirements of Section 8.6 below.

7.2 Termination. Subject to Section 7.1.2, this Lease and the Term shall not terminate or be terminated because of damage to or destruction of any structure or improvement on or in the Premises.

SECTION 8 - INSURANCE

8.1 Acquisition of Insurance Policies. Tenant shall, at its sole cost and expense, procure and maintain, during the entire Term the insurance described in Section 8.2, which insurance shall be subject to Landlord's review and approval, not to be unreasonably withheld, and shall name Landlord and other parties designated by Landlord to be named as additional insureds. Policy limits, coverages and deductibles shall be reviewed annually and may be adjusted if prudent, considering levels of inflation, risk of loss, premium expenses, and other relevant factors. Any dispute regarding policy limits shall be resolved by arbitration as provided in Section 18 hereof; provided, however, that the amount of property damage insurance which Tenant shall maintain with respect to the Premises shall never be less than the full replacement cost of the Museum Exhibits and Tenant's personal property as required in accordance with Section 8.2 hereof.

8.2 Types of Required Insurance. Tenant shall procure and maintain the following:

8.2.1 Commercial General Liability Insurance. Commercial general liability insurance insuring against injuries or damages to persons or property sustained in, on or about the Premises and the appurtenances thereto, including the sidewalks and alleyways adjacent thereto, with limits of liability with a combined single limit of between \$5,000,000 and \$10,000,000 as reasonably determined by Tenant based upon the premium for such coverage. In no event shall the coverage be less than \$5,000,000.

8.2.2 Worker's Compensation Insurance. Worker's compensation and employer's liability insurance in respect of any work by employees of Tenant on or about the Premises.

8.2.3 Tenant's Property Insurance. Property insurance covering the Museum Exhibits and any furniture, fixtures, equipment, inventory and other personal property of Tenant located on the Premises, in an amount of not less than one hundred percent (100%) insurable replacement value, with a deductible of not more than \$50,000.

8.2.4 Builders Risk. From the start of the Commencement Date, Tenant shall maintain, or cause the Tenant Improvements general contractor to maintain, builder's risk insurance in a builder's all risk form, including earth movement, covering one hundred percent (100%) of the replacement value of the Tenant Improvements. The builder's risk insurance shall be kept in place until the Tenant Improvements are substantially completed in accordance with Section 3.

8.3 Terms of Insurance. The policies required under Section 8.2 shall name Landlord as additional insured and Tenant shall provide to Landlord certificates of insurance and copies of policies obtained by Tenant hereunder promptly upon the request of Landlord. Further, all policies of insurance described in Section 8.2 shall: (a) be written as primary policies not contributing with and not in excess of coverage that Landlord may carry; (b) contain an endorsement providing that the amount of coverage will not be reduced with respect to Landlord except after twenty (20) days' prior written notice from the insurance company to Landlord and such coverage may not be cancelled with respect to Landlord except after thirty (30) days' prior written notice from insurance company to Landlord; (c) expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums; and (d) be written by insurance companies having a Best's rating of "A" or better, and such insurance companies shall be reasonably acceptable to Landlord.

8.4 Landlord's Acquisition of Insurance. If Tenant at any time during the Term fails to procure or maintain insurance required hereunder or to pay the premiums therefor, Landlord shall have the right to procure the same and to pay any and all premiums thereon, and any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable as additional rent, and Tenant shall

pay to Landlord upon demand the full amount so paid and expended by Landlord, together with interest thereon at the rate provided in Section 19.8 hereof from the date of such expenditure by Landlord until repayment thereof by Tenant.

8.5 Waiver of Subrogation. Landlord and Tenant hereby release each other from any and all liability or responsibility (to the other or anyone claiming through or under them by way of subrogation or otherwise) for any loss or damage to real or personal property on the Premises caused by fire or any other insured peril, even if such fire or other casualty shall have been caused by the fault or negligence of the other party or anyone for whom such party may be responsible, to the extent insurance proceeds are available from such fire or insured peril. Landlord and Tenant shall each procure insurance policies with such a waiver of subrogation and with a clause or endorsement to the effect that any such release shall not adversely affect or impair said policies or prejudice the right of the releasor to recover thereunder.

8.6 Landlord's Required Insurance. Landlord shall procure and maintain the following:

8.6.1 Builder's Risk. From the start of construction of the Cold Shell, Landlord shall maintain, or cause the Cold Shell general contractor to maintain, builder's risk insurance in a builder's all-risk form, including earth movement, covering one hundred percent (100%) of the replacement value of the Cold Shell. The builder's risk insurance shall be kept in place until the Commencement Date defined herein.

8.6.2 Property Insurance. From and after the Commencement Date, Landlord shall cause the Premises (exclusive of those items required to be insured by Tenant pursuant to Section 8.2.3) to be insured in at one hundred percent (100%) of replacement value for fire and other perils currently covered by an all-risk property insurance form. Landlord shall further cause the Premises to be insured against the perils of earthquake and flood, either as part of the aforementioned commercial property policy, or under a separate policy or policies so long as such coverage is available at a commercially reasonable premium amounts.

8.6.3 Evidence of Insurance. Landlord will, upon request, furnish Tenant with satisfactory evidence that such coverage is in effect.

SECTION 9 - CONDEMNATION

9.1 Definitions.

9.1.1 "Eminent domain" is the right of the people or government to take private property for public use. As used in this Section, the words "condemned" and "condemnation" are coextensive with such right, and a voluntary conveyance by Landlord to the condemnor under threat of a taking under the power of eminent domain in lieu or after commencement of formal proceedings shall be deemed a taking within the meaning of this Section.

9.1.2 "Total condemnation" and "total taking" mean the taking of the entire Premises under the power of eminent domain or a taking of so much of the Premises under such power as to prevent or substantially impair the conduct of Tenant's business thereon.

9.1.3 "Partial condemnation" and "partial taking" mean any condemnation of the Premises other than a total taking as defined above.

9.2 Taking Before Commencement Date. In the event that there shall be a total taking or partial taking which results in the Property being unsuitable for construction of the Improvements before the Commencement Date, this Lease shall terminate as of the date title to the Premises is taken by the

condemnor, and the parties hereto shall be released from all further liability in relation to this Lease from and after the date of such termination.

9.3 Taking After Commencement Date.

9.3.1 Effect of Total Condemnation. In the event that there shall be a total taking of the Premises after the Commencement Date, under the power of eminent domain, any lease interest hereby created in the Premises shall cease and terminate as of the date title to the Premises is taken by the condemnor. On termination of this Lease by a total taking, all other charges payable by either party to or on behalf of the other under the provisions of this Lease shall be paid up to the date on which actual physical possession of the Premises shall be taken by the condemnor, and the parties hereto shall thereafter be released from all further liability in relation thereto arising from and after the date of such termination.

9.3.2 Effect of Partial Condemnation. In the event that there shall be a partial taking of the Premises after the Commencement Date, under the power of eminent domain, this Lease shall terminate as to the portion of the Premises so taken on the date title to the Premises is taken by the condemnor or at the time the condemnor is authorized to take possession of said real property as stated in the order for possession, whichever is earlier. This Lease shall also terminate on such date as to the balance of the Premises once more than ten percent (10%) of the ground area or five percent (5%) of the floor area of the Premises have been taken and Tenant gives written notice of termination to Landlord within thirty (30) calendar days after Landlord shall have given Tenant written notice of said taking, or in the absence of said notice, within ten (10) calendar days after the condemnor is authorized to take possession as stated in the order for possession. If less than such percentage of ground area or floor area is taken or Tenant fails to timely elect to terminate, this Lease shall continue in full force and effect as to the remainder of the Premises not so taken.

9.4 Award. Any compensation or damages awarded or payable because of the taking of all or any portion of the Premises by eminent domain (the "Just Compensation") shall be allocated between Landlord and Tenant as follows:

9.4.1 Out of the total Just Compensation, Landlord shall receive the present value of the Cold Shell as of the time of taking and the total value of the Property; the remainder thereof shall be payable to the Tenant. The foregoing allocation shall be established by the same court of law or other trier of fact that establishes the Just Compensation, using a qualified commercial real estate appraiser acceptable to the parties and who is experienced in the valuation of lease interests (the "Appraiser"), but if there is no court of law available, able, or willing to make such allocation, then Landlord and Tenant shall attempt to agree themselves on one Appraiser who shall determine the then-present value of the Cold Shell and the total value of the Property and make the appropriate allocation of the total Just Compensation. The foregoing shall not limit Tenant's right to separately pursue compensation or damages for lost revenues, business interruption, and moving expenses; provided, that such awards do not reduce any award to Landlord, and Tenant shall be solely entitled to any such compensation or damages free and clear of any claim by Landlord.

9.4.2 Any severance damages awarded or payable because only a portion of the Premises is taken by eminent domain shall be allocated in the same manner as in Section 9.4.1 above.

SECTION 10 - TENANT TO COMPLY WITH LAWS

10.1 Tenant shall at all times during the Term of this Lease, at Tenant's sole cost and expense, perform and comply with laws, rules, orders, ordinances, regulations and requirements now or hereafter enacted or promulgated which are applicable to the Premises and the businesses of Tenant conducted with respect thereto.

SECTION 11 - INSPECTION OF PREMISES BY LANDLORD

11.1 Landlord and Landlord's agents and representatives shall be entitled, from time to time, upon reasonable notice to Tenant and upon providing Tenant a reasonable opportunity to have its representative accompany Landlord or Landlord's agents and representatives during such inspection, to go upon the Property and into the Improvements for the purpose of: (a) inspecting the same; or (b) inspecting the performance by Tenant of the agreements and conditions of this Lease. Landlord shall assume no duty or liability with respect to the Premises or their maintenance as a result of such inspection. During the last thirty-six (36) months of the Term of this Lease, Tenant shall permit inspection of the Property and the Improvements at reasonable times and for reasonable periods by or on behalf of prospective tenants and prospective purchasers.

SECTION 12 - INDEMNIFICATION

12.1 Tenant to Indemnify Landlord. Notwithstanding that joint or concurrent liability may be imposed upon Landlord by statute, ordinance, rule, regulation or order, Tenant shall upon demand indemnify, defend, hold harmless and reimburse Landlord, its shareholders, officers and agents from and against and for any and all liabilities, obligations, penalties, fines, suits, claims, demands, actions, costs and expenses of any kind or nature including without limitation reasonable architects', engineers', and attorneys' fees which may be imposed upon or asserted against Landlord by reason of Tenant's occupancy and/or use of the Premises, including but not limited to the occurrence of any one or more of the following, or of facts or events which result in any one or more of the following:

12.1.1 Tenant's Breach. Any breach, violation or non-performance of any covenant or agreement in this Lease (except to the extent arising from the non-performance or negligent performance of any covenant or obligation undertaken by Landlord under this Lease), including any failure of Tenant to maintain or renew any insurance policy required by the terms of this Lease, set forth and contained on the part of the Tenant to be fulfilled, kept, observed or performed;

12.1.2 Use or Occupancy. Any accident, injury or damage to person and/or property (except to the extent arising from the non-performance or negligent performance of any covenant or obligation undertaken by Landlord under this Lease), arising from any use or occupancy of the Premises by Tenant or by any subtenant, invitee, contractor, employee or agent of Tenant or which Tenant may permit or suffer to exist, or occasioned by any use or occupancy of, or activity on the Premises;

12.1.3 Tenant Negligence. Any negligence or wrongful act or omission on the part of Tenant or its subtenants or any of their agents, contractors, servants, employees, licensees, sublessees or invitees, or anyone claiming through the foregoing; or

12.1.4 Tenant Work. Any work or thing done by or for Tenant in, on or about the Premises and/or on any sidewalk, plaza, street, alley, curb, passageway or space adjacent thereto, or any part thereof unless performed by Landlord or its agents.

12.2 Landlord to Indemnify Tenant. Notwithstanding that joint or concurrent liability may be imposed upon Tenant by statute, ordinance, rule, regulation or order, to the extent permitted by state law, Landlord shall upon demand indemnify Tenant from and against and for any and all liabilities, obligations, penalties, fines, suits, claims, demands, actions, costs and expenses of any kind or nature which may be imposed upon or asserted against Tenant by reason of (a) any breach, violation or non-performance by Landlord of any covenant or agreement in this Lease (except to the extent arising from the non-performance

or negligent performance of any covenant or obligation undertaken by Tenant under this Lease); or (b) any negligence or wrongful act or omission on the part of Landlord's actions taken pursuant to this Lease.

SECTION 13 - SUBLETTING AND ASSIGNMENT

13.1 Assignment. Tenant may assign this Lease or sublet all or any part of the Premises for any time or times during the Term not to exceed the Term of this Lease only with Landlord's prior written consent, which Landlord may withhold in Landlord's sole and absolute discretion, except that Tenant may sublet a portion of the Museum building for a café or gift shop if such sublet is determined by Landlord to be consistent with the Port of Olympia Deed and any outstanding Tax-Exempt or Tax Advantaged Obligations. No assignment shall serve to release Tenant or reduce its liabilities hereunder, and Tenant shall retain all such liabilities jointly and severally with any such assignee. If there occurs any assignment permitted hereunder, Tenant shall cause to be delivered to Landlord concurrently with or prior to such assignment, an instrument in writing signed and duly acknowledged by the assignee or successor by which such assignee or successor agrees to perform all of the terms and provisions of this Lease applicable to Tenant.

SECTION 14 - TENANT TO FURNISH STATEMENT

14.1 Tenant's Statement. Tenant, within twenty (20) days after written request of the Landlord, will furnish a written statement, duly acknowledged, as to: (a) whether the Lease is unmodified and in full force and effect (or, if there have been modifications, whether or not the same are in full force and effect as modified and identifying the modifications); (b) whether there are any defaults thereunder on the part of Landlord to the actual knowledge of Tenant and specifying the nature of such defaults, if any; and (c) such other matters as Landlord may reasonably request and which relate to the actual knowledge of Tenant.

14.2 Failure to Furnish. Upon the failure of the Tenant to furnish such statements within the said twenty (20) day period, it shall be conclusively presumed that the Lease is in full force and effect and that there are no defaults thereunder by the other party, except to the extent of facts actually known by the party to whom such statement was to be directed.

SECTION 15 - DEFAULT

15.1 Event of Default. The occurrence of any of the following shall constitute an Event of Default:

15.1.1 Payments to Landlord. Failure of Tenant to duly and punctually make any payment owing to Landlord hereunder, including provision of the Community Benefits, or to pay any Imposition or any other payment which if not paid may result in a lien on the Premises (except as and to the extent permitted under this Lease), as and when the same becomes due and payable, or the failure to maintain any of the insurance coverage required hereunder or pay any of the premiums required to be paid with respect thereto, and such occurrence or failure continues for a period of fifteen (15) days after notice thereof is given to Tenant by Landlord.

15.1.2 Completion of Improvements. Tenant being in breach of, or failing to perform, comply with, or observe any term, covenant, warranty, condition, agreement or undertaking arising under Section 3 of this Lease.

15.1.3 Other Covenants. Tenant or Landlord being in breach of, or Tenant or Landlord failing to perform, comply with, or observe any other term, covenant, warranty, condition, agreement or undertaking contained in or arising under this Lease other than those referred to hereinabove in this Section

and such failure continues for a period of thirty (30) days after notice thereof is given by the non-defaulting party to the defaulting party.

15.1.4 Insolvency.

(a) Tenant making an assignment for the benefit of creditors, filing a petition in bankruptcy, petitioning or applying to any tribunal for the appointment of a custodian, receiver or any trustee for it or a substantial part of its assets, or commencing any proceedings under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction, whether now or hereafter in effect; or if there shall have been filed any such petition or application, or any such proceeding shall have been commenced against it, in which an order for relief is entered or which remains undismissed for a period of thirty (30) days or more; or Tenant by any act or omission indicating its consent to, approval of or acquiescence in any such petition, application or proceeding or order for relief or the appointment of a custodian, receiver or any trustee for it or any substantial part of any of its properties, or suffering any such custodianship, receivership or trusteeship to continue undischarged for a period of thirty (30) days or more;

(b) Tenant being generally unable to pay its debts as such debts become due; or

(c) Tenant having concealed, removed, or permitted to be concealed or removed, any part of its property, with intent to hinder, delay or defraud its creditors or any of them, or making or suffering a transfer of any of its property which may be fraudulent under any bankruptcy, fraudulent conveyance or similar law; or suffering or permitting, while insolvent, any creditor to obtain a lien upon any of its property through legal proceedings or distraint which is not vacated within thirty (30) days from the date thereof.

SECTION 16 - TERMINATION

16.1 Termination of Lease. In addition to all other rights and remedies available to Landlord by law or equity, Landlord may, at any time after the occurrence of any Event of Default on the part of Tenant, and while the same remains unremedied, give notice to Tenant of its intention to terminate this Lease, in which case, unless within fifteen (15) days after the giving of such notice, the condition creating or upon which is based such Event of Default is cured, this Lease shall terminate as of the expiration of such fifteen (15) days and Landlord may reenter upon the Premises and have possession thereof. In the event of a Default under Section 15.1.1 for failure to provide the Community Benefits, Landlord, in lieu of termination, may charge rent in an amount equal to the then applicable market rate unless otherwise mutually agreed upon in writing by the Tenant and Landlord. Notwithstanding the foregoing, upon the occurrence of an Event of Default under Section 15.1.2, Landlord shall have the right, but not the obligation, to terminate this Lease immediately and Landlord may reenter upon the Premises and have possession thereof.

16.2 Completion of Construction. Where a default under Section 15.1.2 occurs, in addition to all other rights and remedies available to Landlord by law or equity or under this Lease, Landlord shall have the right to assert claims under the bonds described in Section 3.4.3 (i) to cause completion of the construction of the Improvements; and (ii) to receive and retain any fixtures and personal property needed to operate the Museum Building, and any design plans or drawings of the Improvements.

16.3 Requirements Under Interlocal Agreement and Related State Laws. In addition to Landlord's rights to terminate this Lease in the Event of Default, Landlord reserves the right to terminate this Lease immediately if the Tenant's actions in operating the Premises will cause or have caused the District to lose the right to collect the Sales Tax, have caused the Landlord to lose the right to use

the Sales Tax to repay the Tax-Exempt Obligations, or have led to an adverse determination regarding the tax-exempt status of the Tax-Exempt Obligations.

16.4 Effect of Termination. Upon termination of the Term under this Section, all rights and privileges of Tenant and all duties and obligations of Landlord hereunder shall terminate. Immediately upon such termination of the Term, and without further notice to any other party, Landlord shall have the right to assert, perfect, establish and confirm all rights reverting to Landlord by reason of such termination by any means permitted by law, including the right to take possession of the Premises and to continue to operate the Premises as a Children's Museum using the Museum Exhibits pursuant to Section 4.13.1, with or without process of law, and to remove all personal property from the Premises not necessary to operate the Premises as a Children's Museum and all persons occupying the same and to use all necessary lawful force therefor and in all respects to take the actual, full and exclusive possession of the Premises, thereby wholly terminating any right, title, interest or claim of or through Tenant as to the Premises or fixtures and alterations to the improvements, and all personal property, excluding the Museum Exhibits, located on the Premises needed to operate the Museum Building, all without incurring any liability to Tenant or to any person occupying or using the Premises for any damage caused or sustained by reason of such entry or such removal, except for damage resulting from Landlord's negligence in effecting such removal, and Tenant agrees to indemnify, protect and save harmless Landlord, and all employees, agents and representatives of Landlord, from all costs, loss or damage arising or occasioned thereby to Tenant, or its agents, employees, officers, guests, invitees or tenants, except as limited hereinabove.

16.5 Damages and Remedies. The exercise by either party of any remedy arising by virtue of an Event of Default shall not be considered exclusive, but either party may exercise any and all other rights or remedies provided by this Lease or by law or equity. Landlord may elect to sue Tenant hereunder without terminating this Lease. The termination of the Term pursuant to this Section shall not extinguish the right of either party to collect damages arising from the breach of this Lease by the other party. Upon a termination of this Lease pursuant to this Section, Tenant shall be liable to transfer or deliver, as applicable, to Landlord any fixtures and personal property needed to operate the Museum Building, including any design plans or drawings of the Improvements.

16.6 No Waivers. No failure by any party hereto to insist upon the strict performance of any provision of this Lease or to exercise any right, power or remedy consequent to any breach thereof, and no waiver of any such breach, or the acceptance of full or partial rent during the continuance thereof, shall constitute a waiver of any such breach or of any such provision. No waiver of any breach shall affect or alter this Lease, which shall continue in full force and effect, or the rights of any party hereto with respect to any other then existing or subsequent breach.

16.7 No Offsets. Tenant shall not assert any breach of an obligation, warranty or duty of Landlord as, and no such breach shall constitute, a defense, offset, excuse or counterclaim to any obligation of Tenant hereunder, but Tenant may, subject to the other provisions of this Lease, pursue independent remedies for any such breach by Landlord.

16.8 Payment by Landlord of Tenant's Defaulted Payments. Upon an Event of Default, Landlord may, at its option, after notice to Tenant, pay any or all sums payable by Tenant under this Lease, or do any or all such acts which require the payment of money, or incur any expense whatsoever to remedy the failure of Tenant to perform any one or more of the covenants herein contained. Tenant shall repay the same to Landlord on demand together with reasonable interest thereon.

SECTION 17 - DISPUTE RESOLUTION

17.1 If the parties have any disagreement, dispute, breach or claim of breach, non-performance,

or repudiation arising from, related to or in connection with this Agreement, including but not limited to either party's failure or alleged failure to comply with any of the provisions of this Agreement (the "Dispute"), the parties will first conduct a staged procedure as follows, it being agreed that for purposes of this Section 17, any reference to a particular representative of a party will also be deemed to include such particular representative's duly authorized successor or designee and such other persons as each party deems appropriate:

(a) A party will provide written notice to the other party of a Dispute. Within five (5) business days of the giving of such notice of a Dispute, a representative of the Landlord and the Tenant will conduct a meeting to attempt to resolve the matter and set forth such resolution in writing. In the event they are unable to resolve the Dispute at the foregoing described meeting, they will reasonably define the Dispute in writing including a description of the position of each party. A copy of the writing described in this Section 17(a) will be provided to the persons who are to receive notices in accordance with Section 19.6 of this Agreement.

(b) If the Dispute is not resolved at the meeting prescribed in Section 17(a) above, then within five (5) business days after receiving the written description of the Dispute, the City Manager and the Executive Director of the HOCM will meet to attempt to reach a resolution of the matter in light of the description of the Dispute submitted by the parties and further discussion among and between the parties and their respective representatives.

(c) If the parties are unable to resolve the Dispute after following the procedures set forth in this Section 17, then, subject to the limitations otherwise provided for in this Agreement, the parties are entitled to pursue Arbitration as set forth in Section 18.

(d) Each party will bear its own expenses in connection with the dispute resolution procedure provided for in this Section 17.

SECTION 18 - ARBITRATION

18.1 Initial Claim and Appointment of Arbitrators. Any dispute, controversy or claim arising out of this Lease, that is not resolved pursuant to the Dispute Resolution process set forth in Section 17, shall be settled by expedited mandatory arbitration as set forth in this Section. Either party may demand arbitration by written notice to the other party. The notice shall describe the reasons for such demand, the amount involved, if any, and the particular remedy sought. The notice shall also list the name of one arbitrator qualified in accordance with this Section. The party that has not demanded arbitration shall respond to the notice of demand within ten (10) calendar days of receipt of such notice by delivering a written response to the demanding party. The response shall list the name of a second arbitrator qualified in accordance with this Section. The response shall also describe counterclaims, if any, the amount involved, and the particular remedy sought. If a party fails to respond timely to the notice of demand, the arbitrator selected by the party making such demand under this Section shall resolve the dispute, controversy or claim within thirty (30) calendar days of the deadline for response. Any arbitrator shall be a natural person not employed by either of the parties or any parent or affiliated partnership, corporation or other enterprise thereof. If a party responds timely to a notice of demand for arbitration, the two arbitrators shall appoint a third arbitrator who shall be qualified in accordance with this Section. Such third arbitrator shall be appointed within ten (10) calendar days of receipt by the party demanding arbitration of the notice of response. If the two arbitrators fail to timely appoint a third arbitrator, the third arbitrator shall be appointed by the parties if they can agree within a period of ten (10) calendar days. If the parties cannot timely agree, then either party may request the appointment of such third arbitrator by the Presiding Judge of the Superior Court of Thurston County, Washington; provided, that the other party shall not raise any question as to the Court's full power and jurisdiction to entertain such application and to make such appointment.

18.2 Arbitration Hearing; Discovery; Venue; Decision. The arbitration hearing shall commence within thirty (30) calendar days of appointment of the third arbitrator. The hearing shall in no event last longer than two (2) calendar days. There shall be no discovery or dispositive motion practice (such as motions for summary judgment or to dismiss or the like) except as may be permitted by the arbitrators; and any such discovery or dispositive motion practice permitted by the arbitrators shall not in any way conflict with the time limits contained herein. The arbitrators shall not be bound by any rules of civil procedure or evidence, but rather shall consider such writings and oral presentations as reasonable business persons would use in the conduct of their day-to-day affairs, and may require the parties to submit some or all of their case by written declaration or such other manner of presentation as the arbitrators may determine to be appropriate. It is the intention of the parties to limit live testimony and cross examination to the extent absolutely necessary to ensure a fair hearing to the parties on significant and material issues. Venue of any arbitration hearing shall be in Thurston County, Washington. The arbitrators' decision shall be made in no event later than ten (10) calendar days after the commencement of the arbitration hearing described in Section 18.1. The award shall be final and judgment may be entered in any court having jurisdiction thereof. The arbitrators may award specific performance of this Lease. The arbitrators may also require remedial measures as part of any award. The arbitrators in their discretion may award attorneys' fees and costs to the more prevailing party.

SECTION 19 - MISCELLANEOUS

19.1 No Partnership; No Third-Party Benefits. Nothing contained herein or in any instrument relating hereto shall be construed as creating a partnership or joint venture between Landlord and Tenant or between Landlord and any other party, or cause Landlord to be responsible in any way for debts or obligations of Tenant or any other party. Furthermore, no third parties are intended to be benefited by this Lease.

19.2 Time of the Essence. Time is hereby expressly declared to be of the essence of this Lease and of each and every term, covenant, agreement, condition and provision hereof.

19.3 Interpretation. This Lease shall be construed according to and governed by the laws of the State of Washington. The captions of this Lease are for convenience and reference only, and are not a part of this Lease, and in no way amplify, define, limit or describe the scope or intent of this Lease, nor in any way affect this Lease. Words of any gender in this Lease shall be held to include any other gender and words in the singular number shall be held to include the plural when the sense requires. The language in all parts of this Lease shall in all cases be construed as a whole according to its fair meaning and neither strictly for nor against Landlord or Tenant. If any provision of this Lease (other than those relating to payment of rent) or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

19.4 Survival. Each provision of this Lease which may require the payment of money by, to or on behalf of Landlord or Tenant or third parties after the expiration of the Term hereof or its earlier termination shall survive such expiration or earlier termination.

19.5 Commissions. Each party shall save and hold the other party harmless from any and all claims or demands, requests by real estate brokers, agents or finders with whom the first party may have dealt in connection with this Lease.

19.6 Notices. All notices, demands, requests, or other writings in this Lease provided to be given or made or sent, or which may be given or made or sent, by either party hereto to the other, or by any Mortgagee to either party may be given personally or may be delivered by nationally recognized overnight carrier or by certified mail, return receipt requested, postage prepaid, properly addressed, and sent to the following addresses:

Landlord: City of Olympia, Washington
Attention: Assistant City Manager
P.O. Box 1967
Olympia, WA 98507-1967
(360) 753-8740

Tenant: Hands On Children's Museum
Attention: Executive Director
106 11th Avenue S.W.
Olympia, WA 98501

or to such other address as either party may from time to time designate by written notice to the other.

19.7 Attorneys' Fees. In any proceeding or controversy associated with or arising out of this Lease or a claimed or actual breach thereof, or in any proceeding to recover the possession of the Premises, the prevailing party shall be entitled to recover from the other party as a part of prevailing party's costs, reasonable attorney's fees, the amount of which shall be fixed by the court or arbitrator and shall be made a part of any judgment rendered.

19.8 Interest. Except as otherwise specifically provided herein, any amounts due one party to the other pursuant to the terms of this Lease, including amounts to be reimbursed one to the other, shall bear interest from the due date or the date the right to reimbursement accrues at the "prime rate" published or publicly announced most recently prior to such date in the Wall Street Journal; provided, however, that such rate shall not exceed, in any event, the highest rate of interest which may be charged under applicable law.

19.9 Heirs and Assigns. All of the covenants, agreements, terms and conditions contained in this Lease shall inure to and be binding upon the Landlord and Tenant and their respective heirs, executors, administrators, successors and assigns.

19.10 Entire Agreement; Amendments in Writing. This Lease contains the final and complete expression of the parties relating in any manner to the leasing, use and occupancy of the Premises and other matters set forth in this Lease. No prior agreements or understanding pertaining to the same shall be valid or of any force or effect. The covenants and agreements of this Lease shall not be altered, modified or added to except in writing signed by Landlord and Tenant.

19.11 No Waiver Implied. No waiver of any default hereunder shall be implied from any omission by either party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. The acceptance by Landlord of rent with knowledge of the breach of any of the covenants of this Lease by Tenant shall not be deemed a waiver of any such breach. One or more waivers of any breach of any covenant, term or condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by Landlord or Tenant, as the case may be, to or of any act by the other party requiring consent or approval, shall not be deemed to waive or render unnecessary Landlord's or Tenant's consent or approval, as the case may be, to or of any subsequent similar acts by the other party.

19.12 Memorandum of Lease. The parties hereby agree to sign a Memorandum of Lease in the form attached hereto as **Exhibit H** on or after the Effective Date and to record the same in the Thurston County Public Records.

19.13 Force Majeure. Time periods for either party's performance of any provisions of this Lease, including Tenant's provision of Community Benefits, shall be extended for periods of time during which the party's performance is prevented due to circumstances beyond such party's control, including without limitation, fires, floods, earthquakes, lockouts, strikes, acts of God, war or other strife.

SECTION 20 - PORT OF OLYMPIA DEED

20.1 Parking Garage. The Port of Olympia Deed reserves to the Port of Olympia the right to construct a parking garage on a portion of the Property ("Garage Site") as more particularly described in such Deed. If the Port of Olympia exercises that right, Landlord and Tenant shall reasonably cooperate (i) with regard to any subdivision, boundary line adjustment or condominium reasonably necessary to allow the Port to reacquire ownership of the Garage Site; (ii) to amend this Lease to ensure that this Lease is consistent with the terms of any agreements required to allow the construction of a parking garage; and (iii) to ensure that Tenant shall be entitled to use of an equivalent number of parking stalls in any such garage as were available to Tenant within the Parking Facilities described herein and to retain parking revenues generated by such parking stalls, subject to Tenant's obligation to share in operational, maintenance and repair costs related to its allocated parking stalls.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK; SIGNATURES FOLLOW]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the day and year first above written.

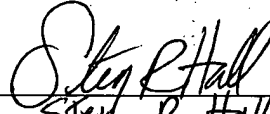
LANDLORD:

CITY OF OLYMPIA,
a political subdivision of the State of Washington

By

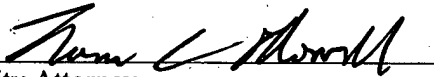
Name:

Title:


Steven R. Hall
City Manager

APPROVED AS TO FORM:

City Attorney



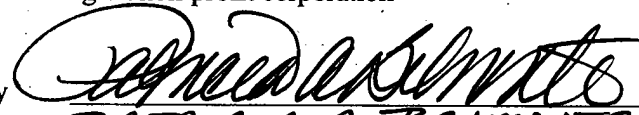
TENANT:

HANDS ON CHILDREN'S MUSEUM,
a Washington non-profit corporation

By

Name:

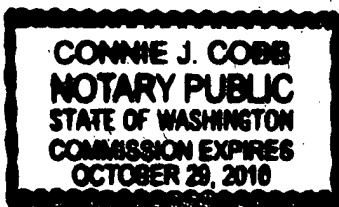
Title:


PATRICIA A. BELMONTE
EXECUTIVE DIRECTOR

STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

THIS IS TO CERTIFY that on this 14th day of September, 2010, before me, the undersigned, a notary public in and for the state of Washington, duly commissioned and sworn, personally appeared Steven R. Hall, to me known to be the City Manager of City of Olympia municipal corporation of the State of Washington, the individual 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 said individual was authorized to execute said instrument.

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

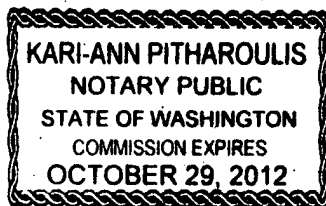


Connie J. Cobb
Print Name: Connie J. Cobb
Notary public in and for the state of
Washington, residing at Olympia
My appointment expires 10-29-10

STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

THIS IS TO CERTIFY that on this 9th day of September, 2010, before me, the undersigned, a notary public in and for the state of Washington, duly commissioned and sworn, personally appeared Patricia A. Belmont to me known to be the Executive Director of Hand's on Children's Museum, a 501(c)(3) corporation, the entity 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 said individual was authorized to execute said instrument.

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



Kari-Ann Pitharoulis
Print Name: Kari-Ann Pitharoulis
Notary public in and for the state of
Washington, residing at Olympia
My appointment expires 10-29-2012

List of Exhibits

<u>Exhibit A</u>	Property Legal Description
<u>Exhibit B</u>	Property Sketch of Museum Building and Parking Facilities Locations
<u>Exhibit C</u>	Community Benefits
<u>Exhibit D</u>	Cold Shell
<u>Exhibit E</u>	Museum Exhibits
<u>Exhibit F</u>	Approved Plans
<u>Exhibit G</u>	Memorandum of Lease

EXHIBIT A
PROPERTY LEGAL DESCRIPTION

Lot 5 of Short Subdivision No. SS-070154 OL, as recorded October 27, 2009 under Auditor's File No. 4118293.

Tax Account/Parcel Number: 66130000405

EXHIBIT B

Property Sketch of Museum Building and Parking Facilities Locations

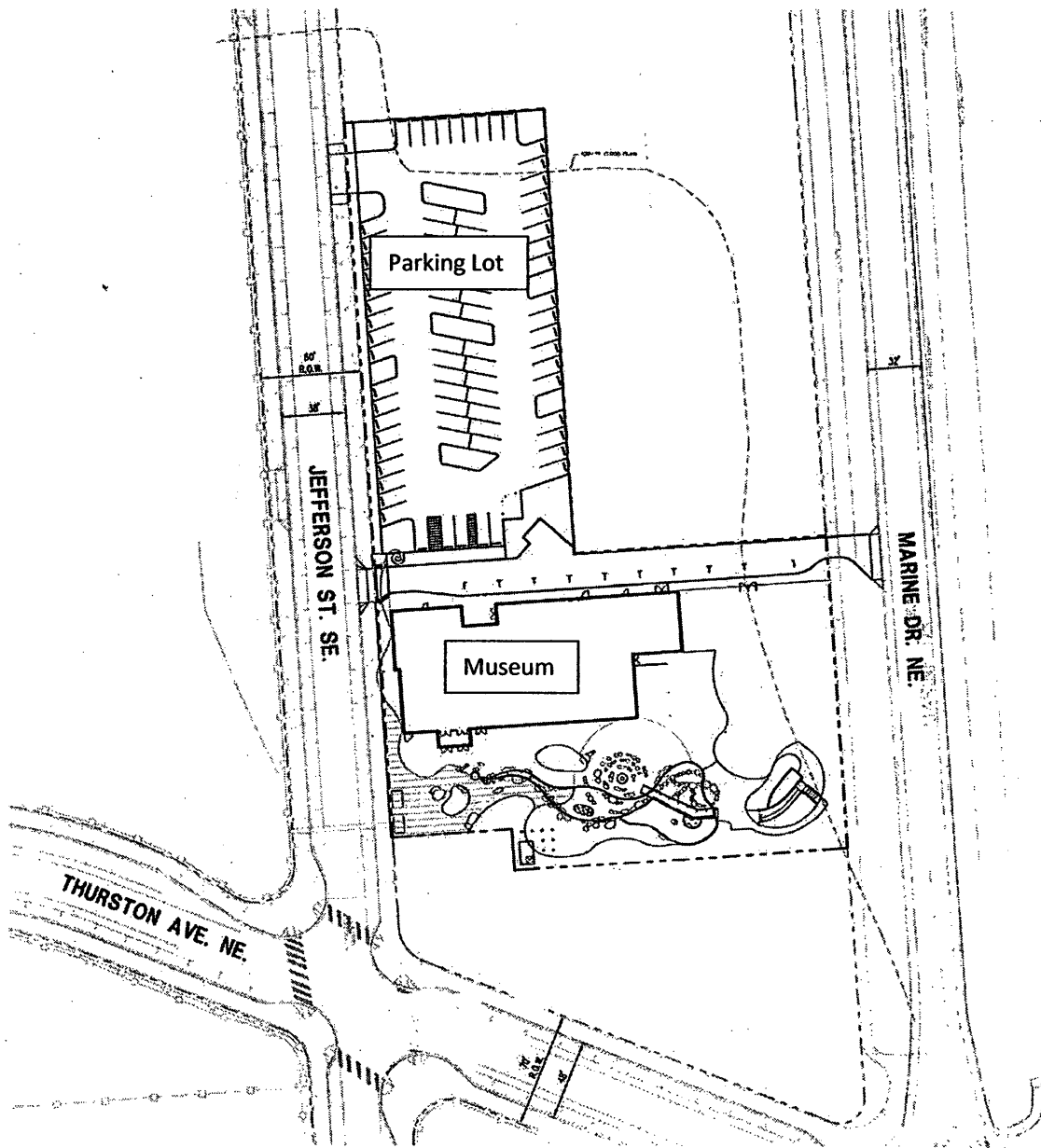


EXHIBIT C
HOCM Community Benefits 8-2010

The Hands On Children's Museum ("HOCM") is committed to stimulating curiosity, creativity and learning through fun, interactive exhibits and programs for children, families and school groups. In partial consideration for the public support for the development of its new regional Children's Museum on Olympia's East Bay (the "New Children's Museum") and in fulfillment of its mission and ongoing commitment to the community, HOCM (which for purposes of this Exhibit shall include any successor operator of the New Children's Museum) agrees that:

From Possession Date to Opening Date(s) of the New Children's Museum, HOCM will:

1. Invest cash and in-kind products and services to design, fabricate and install museum exhibits and displays both indoors and outdoors at the New Children's Museum facility.

From and after the Opening Date of the New Children's Museum through the Term of the Lease, HOCM will:

1. Operate A Regional Children's Museum. Operate the New Children's Museum as an integrated, publicly accessible regional children's museum with indoor exhibits, outdoor exhibits and educational programs devoted primarily to educating young children and their families. Operations may also include indoor and outdoor space for meetings and educational functions, a gift shop and a café.

2. Operate Accessible Exhibits & Programs. Where possible, the New Children's Museum will use Universal Design as a guiding principle to allow children of differing abilities to access the New Children's Museum and its exhibits and programs.

3. Maintenance and Repair. Provide routine maintenance and repair of the New Children's Museum facility consistent with the requirements of the Lease.

4. Opening Hours and General Admissions. Operate the New Children's Museum at least forty-seven (47) hours per week, fifty (50) weeks per year, subject to the following admissions policy:

(a) General public admission will be subject to reasonable standard admission charges;

(b) Any member of the public unable to pay the standard admission fee will be admitted (excluding special events) upon payment of whatever amount he or she determines he or she can pay. HOCM will include this policy in its written Free and Reduced Admissions policies and on its website. (For example, in 2009, the Museum served nearly 75,000 visitors with free or reduced admission, free outreach, free events, and free educational programs.)

(c) At least one (1) night per calendar month will be regularly scheduled when admission to the Museum (excluding special events) is free of charge to all visitors;

(d) Admission discounts will be provided for special populations such as military families, foster families, Head Start students, grandparents, babies and toddlers;

(e) The Museum will strive to offer an education event each year (such as Sand in the City or a similar community event), that will provide free or reduced event admission for all visitors to access the New Children's Museum. (As example, HOCM served 40,000 visitors for free during the 2010 event.)

5. Support Downtown Events. When possible, support Olympia's downtown events such as ArtsWalk through efforts such as offering free or reduced admission to the Museum and activities such as special arts education programming.

6. School Programs. Develop and offer on-going educational programs for preschool and elementary school classrooms. As funding permits, provide free or reduced fee admission, and scholarship assistance to low-income students, as well as underserved schools.

7. Off-Site Educational Programming. Develop and implement education programs and enrichment opportunities of interest to particular segments of the public through free or low-cost off-site programs delivered during City-sponsored events, community fairs and/or festivals.

8. City Use. Make the Museum available for at least four events each year, identified by the City and scheduled at the mutual convenience of the parties. Events might include staff meetings or retreats, or City employee family nights. In addition, if the Museum is not scheduled to be used by HOCM, the City will have the right to use the Museum subject to the Museum receiving reasonable notice. Such events cannot unreasonably interfere with the operation of the Museum. There shall be no facility rental fee for such events, but HOCM will be compensated for (and may require advance payment of) audio/visual, after hours or special security or staffing, catering, cleaning and other event special needs and costs, if the City requests and HOCM elects to provide the same.

9. Meeting Space & Program Collaboration with Area Non-Profits. Provide meeting room space for noncommercial use by South Sound non-profit organizations that share a similar mission to the Museum to support early education for young children, on a first-come, first-served basis, during hours when the Museum is open to the public, up to 10 hours a week and subject to demand for such meeting space by Museum programs. There shall be no facility rental fee for such meetings, but HOCM will be compensated for (and may require advance payment of) audio/visual, special security or staffing, special set up, cleaning and other event special needs and costs, if HOCM elects to provide the same. HOCM will publicize the availability of such meeting space (on a space available basis) on its website. Community groups that HOCM may collaborate with to extend programs to children and families include organizations such as the Family Support Center, SafePlace, South Sound Reading Foundation, and Thurston County public schools, among many others.

10. Provide The Opportunity for Community Artists, Educators, and Performers to offer programs. Provide a venue for free or reduced programs for families to be offered by community artists, educators and performers provided that they are consistent with HOCM's mission and policies. Such events must enhance and not interfere with the operation of the Museum.

11. Sustainability In Action Through Community Partnerships. Support the City's initiative to *Put Sustainability Into Action* by educating children and families about sustainability, green practices, water conservation and climate change through free or reduced programs offered in conjunction with agencies such as the LOTT Alliance and the City of Olympia Public Works Department and Stream Team.

EXHIBIT D

COLD SHELL

The complete final museum “Cold Shell” project plans and specifications, including addenda, are on file with the City of Olympia under City of Olympia Project No. CD 90.

EXHIBIT D

HANDS ON CHILDREN'S MUSEUM
OLYMPIA, WASHINGTON

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017700	CLOSEOUT PROCEDURES
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017839	PROJECT RECORD DOCUMENTS
018113	SUSTAINABLE DESIGN REQUIREMENTS LEED-CS VERSION 2.0 PROJECT CHECKLIST

Facility Construction Subgroup

DIVISION 02 - EXISTING CONDITIONS

026113	EXCAVATION OF CONTAMINATED AREAS **
026114	REMOVAL, STOCKPILING, SAMPLING, TESTING, AND DISPOSAL OF SOIL **

DIVISION 03 - CONCRETE

030013	CONCRETE
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DIVISION 04 - MASONRY

042200	CONCRETE MASONRY UNITS
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DIVISION 05 - METALS

051200	STRUCTURAL STEEL
055000	METAL FABRICATIONS

DIVISION 06 - WOOD, PLASTICS, AND COMPOSITES

061000	ROUGH CARPENTRY
061533	EXTERIOR FINISH CARPENTRY

DIVISION 07 - THERMAL AND MOISTURE PROTECTION

071113	BITUMINOUS DAMPPROOFING
071700	BENTONITE SHEET WATERPROOFING
071800	URETHANE DECK COATING
072100	THERMAL INSULATION
072719	WEATHER RESISTANT BARRIERS
073113	FIBERGLASS REINFORCED ASPHALT SHINGLES
074219	ALUMINUM WALL PANELS
074600	FIBER CEMENT WALL PANELS
074623	WOOD SIDING AND TRIM
076200	SHEET METAL FLASHING AND TRIM
079200	JOINT SEALANTS

DIVISION 08 - OPENINGS

081100	HOLLOW METAL DOORS AND FRAMES
083323	OVERHEAD COILING DOORS
083613	GLAZED ALUMINUM SECTIONAL DOORS
084113	ALUMINUM STOREFRONT SYSTEMS

084128	ALL-GLASS DISPLAY WINDOW
085100	ALUMINUM WINDOWS
087100	DOOR HARDWARE
088000	GLAZING
089100	FIXED LOUVERS

DIVISION 09 - FINISHES

099000	PAINTING AND COATING
099313	FIELD APPLIED TRANSPARENT WOOD FINISHES

DIVISION 10 - SPECIALTIES

NOT USED

DIVISION 11 - EQUIPMENT

NOT USED

DIVISION 12 - FURNISHINGS

124815	CARPET INSET ENTRANCE GRATES
124816	ALUMINUM BAR ENTRANCE GRATES

DIVISION 13 - SPECIAL CONSTRUCTION

133419	METAL BUILDING SYSTEMS
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DIVISION 14 - CONVEYING EQUIPMENT

NOT USED

Facility Services Subgroup

DIVISION 21 - FIRE SUPPRESSION

210500	COMMON WORK RESULTS FOR FIRE SUPPRESSION
211000	WATER BASED FIRE SUPPRESSION SYSTEMS

DIVISION 22 - PLUMBING

220500	COMMON WORK RESULTS FOR PLUMBING
220590	PRESSURE TESTING FOR PLUMBING SYSTEMS
222113	PIPE AND PIPE FITTINGS PLUMBING
224000	PLUMBING FIXTURES

DIVISION 23 - HEATING VENTILATING AND AIR CONDITIONING

230500	COMMON WORK RESULTS FOR HVAC
230523	GENERAL DUTY VALVES AND SPECIALTIES FOR HVAC
230553	IDENTIFICATION FOR HVAC PIPING AND EQUIPMENT
230590	PRESSURE TESTING FOR HVAC SYSTEMS
230700	INSULATION FOR HVAC
232014	PREFABRICATED PIPING SYSTEMS
232113	PIPE AND PIPE FITTINGS HVAC
238100	DECENTRALIZED UNITARY HVAC EQUIPMENT

DIVISION 26 - ELECTRICAL

260500	COMMON WORK RESULTS FOR ELECTRICAL
260526	GROUNDING AND BONDING FOR ELECTRICAL SYSTEMS
260529	HANGERS AND SUPPORTS FOR ELECTRICAL SYSTEMS
260533	RACEWAYS AND BOXES FOR ELECTRICAL SYSTEMS
260543	UNDERGROUND DUCTS AND RACEWAYS FOR ELECTRICAL SYSTEMS
260553	IDENTIFICATION FOR ELECTRICAL SYSTEMS

DIVISION 27 - COMMUNICATIONS

NOT USED

DIVISION 28 - ELECTRONIC SAFETY AND SECURITY

NOT USED

Site and Infrastructure Subgroup

DIVISION 31 - EARTHWORK

311000	SITE CLEARING AND SITE DEMOLITION
311001	EROSION CONTROL
312000	EARTH MOVING
316216	STEEL PILES

DIVISION 32 - EXTERIOR IMPROVEMENTS

321216	ASPHALT PAVING
321313	CONCRETE PAVING, CURBS AND WALKS
328410	IRRIGATION SLEEVE

DIVISION 33 - UTILITIES

332000	WATER DISTRIBUTION SYSTEM
333000	SANITARY SEWERAGE
334100	STORM DRAINAGE
334600	FOUNDATION DRAINAGE

* Designates sections authored by the City of Olympia

** Designates sections authored by Brown and Caldwell, Olympia, Washington.

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EXHIBIT E MUSEUM EXHIBITS

1	ID	Location Name	Location ID	Area Name	Component ID	Component Name	Construction Descriptions Combined	Cost Estimate
3	01	Welcome/Approach	01a	Entry Enrichment	01a-c01	Drums	Off-the-shelf, exterior-grade simple musical instruments	\$1,464
4		Welcome/Approach	01a	Entry Enrichment	01a-c02	Xylophones	Off-the-shelf, exterior-grade simple musical instruments	\$1,464
5		Welcome/Approach	01a	Area Theming & Graphics	01a-c03	Window Display	Changeable display area for current programming	\$610
6	02	Lobby and Ticketing	02a	Area Theming & Graphics	02a-c01	Iconic Column Element	See Area 21, Cedar tree on second floor - realistic faux tree element covers structural column and includes crawl-through log at base.	\$0
7		Lobby and Ticketing	02a	Area Theming & Graphics	02a-c02	Birds in flight	Life-sized, realistic suspended birds: raven, great blue heron, bald eagle, and flock of finches - hung from ceiling over café	\$18,300
8		Lobby and Ticketing	02a	Area Theming & Graphics	02a-c03	Donor Recognition - Capital Donors		\$0
9		Lobby and Ticketing	02a	Area Theming & Graphics	02a-c04	Donor Recognition - Annual Donors		\$0
10		Lobby and Ticketing	02a	Area Theming & Graphics	02a-c05	Graphic Assembly - Stroller Parking		\$0
11		Lobby and Ticketing	02b	Ticket Desk Activities	02b-c01	Graphic Assembly - Ticketing	Visitor info - price, membership, etc.	\$0
12		Lobby and Ticketing	02c	Café Exhibits	02c-c01	Graphic Assembly-Restaurant Entry		\$0
13	03	Interstitial Elements	03a	Area Theming & Graphics	03a-c01	Welcome Panel - Interstitials	Visual panel to orient visitors to this exhibit location: what you can do and what you can learn.	\$0
14		Interstitial Elements	03b	Overhead Art	03b-c01	Overhead Art	Overhead sculptures that enliven the double-height space on the south side of the exhibit area and show air movement in the galleries.	\$2,440
15		Interstitial Elements	03c	Micro Exhibits	03c-c01	Mini-galleries	Display areas that highlight the work of visitors, pre-school kids, volunteers or local artists. 12 Locations (for pricing)	\$6,100
16		Interstitial Elements	03c	Micro Exhibits	03c-c02	Surprise Installations	These whimsical installations surprise and delight guests who may happen upon them during a visit. 12 Locations (for pricing)	\$6,100
17		Interstitial Elements	03c	Micro Exhibits	03c-c03	Quotes	Inspirational and whimsical quotes about learning, imagination and conservation	\$0
18		Interstitial Elements	03c	Micro Exhibits	03c-c04	Collection Displays	Feature the collections of the museum, or of museum visitors and staff.	\$2,440
19		Interstitial Elements	03d	Seating (themed)	03d-c01	Interstitial Seating	Seating for adult located in strategic places so that they can be comfortable while kids are engaged with exhibit activities.	\$2,440
20		Interstitial Elements	03e	Green Construction Interp	03e-c01	Wood Construction (Sustainability)		\$0
21		Interstitial Elements	03e	Green Construction Interp	03e-c02	Steel Recycles		\$0
22		Interstitial Elements	03e	Green Construction Interp	03e-c03	Daylight Interactive		\$0
23		Interstitial Elements	03e	Green Construction Interp	03e-c04	Water-Conservation Interactive		\$0
24		Interstitial Elements	03e	Green Construction Interp	03e-c05	Follow the Flush	This diorama and interactive display shows you what happens when you flush at your house. Which watershed, and which streams are near you? Where do your storm drains go?	\$0
25		Interstitial Elements	03e	Green Construction Interp	03e-c06	Reduce, Reuse, Recycle	Discussion of ways to practice the three "R's" (Reduce, Reuse, Recycle) in our everyday lives.	\$0
26		Interstitial Elements	03e	Green Construction Interp	03e-c07	"Green" Materials	"Green" materials come in many colors! Display explores the different green materials used in the HOCM building that are red, blue, and purple! Why did the designers choose this paint, flooring, tile, or ceiling?	\$0
27		Interstitial Elements	03f	Group Entry Vestibule/Corridor	03f-c01	Group Entry TBD	Fun graphics at entry?	\$0
28		Interstitial Elements	03g	Restrooms	03g-c01	Restrooms TBD	Fun graphics at rest room?	\$0
29		Interstitial Elements	03h	Elevator	03h-c01	Elevator TBD	Fun graphics at elevator	\$0
30	11	Good for You! at East Bay	11a	Area Theming & Graphics	11a-c01	Welcome Panel - East Bay Market	Visual panel to orient visitors to this exhibit location: what you can do and what you can learn.	\$0
31		Good for You! at East Bay	11a	Area Theming & Graphics	11a-c02	Exhibit Wall/Partition	Fun, unique exhibit walls or partitions, specific to adjacent exhibits.	\$7,320
32		Good for You! at East Bay	11b	Carrot Café	11b-c01	Serving Counter and Trellis	Café at the end of the market exhibit; includes counter, sign, canopy	\$8,540
33		Good for You! at East Bay	11b	Carrot Café	11b-c02	Display Cases	Reuse of display cases for market stalls	\$109,800

EXHIBIT E MUSEUM EXHIBITS

34	Good for You! at East Bay	11c	Farm to Table	11c-c02	Delivery Truck & Conveyor Belt	Driver's seat, steering wheel and loading area, with kid-sized crates and boxes for loading. Conveyor belt helps move boxes and crates, which can be carried to the sales stands. 1950's pick up truck is the model for the truck shape.	\$87,145
35	Good for You! at East Bay	11c	Farm to Table	11c-c09	Live Animals/Garden Food?	May include live bees, ants, ladybugs, worms	\$1,220
36	Good for You! at East Bay	11c	Farm to Table	11c-c10	Apple Tree	Refurbished Apple Tree from current Good For You gallery at HOCH	\$0
37	Good for You! at East Bay	11c	Farm to Table	11c-c11	Rabbit Hutches	New hutches for stuffed rabbits	\$1,830
38	Good for You! at East Bay	11c	Farm to Table	11c-c12	Chicken Coop	Refurbished Chicken Coop currently on display in the Good For Your gallery.	\$0
	Good for You! at East Bay	11c	Farm to Table	11c-c13	Barn	Barn exhibit, including loft and goat stall (include a half-goat)	\$24,400
39	Good for You! at East Bay	11d	Market Stalls	11d-c01	Bread Stall	Market stalls, refurbished and reinstalled in new configuration BREAK OUT TO DISTINGUISH BIG TOYS STALLS FROM THE CASE WORK AND DISPLAY PIECES - DETERMINE WHICH CAN BE RE-USED AND HOW MANY NEW ELEMENTS REQUIRED.	\$0
40	Good for You! at East Bay	11d	Market Stalls	11d-c02	Fish Stall	Market stalls, refurbished and reinstalled in new configuration BREAK OUT TO DISTINGUISH BIG TOYS STALLS FROM THE CASE WORK AND DISPLAY PIECES - DETERMINE WHICH CAN BE RE-USED AND HOW MANY NEW ELEMENTS REQUIRED.	\$0
41	Good for You! at East Bay	11d	Market Stalls	11d-c03	Dairy Stall	Market stalls, refurbished and reinstalled in new configuration BREAK OUT TO DISTINGUISH BIG TOYS STALLS FROM THE CASE WORK AND DISPLAY PIECES - DETERMINE WHICH CAN BE RE-USED AND HOW MANY NEW ELEMENTS REQUIRED.	\$0
42	Good for You! at East Bay	11d	Market Stalls	11d-c04	Herbs/Potions Stall	Market stalls, refurbished and reinstalled in new configuration BREAK OUT TO DISTINGUISH BIG TOYS STALLS FROM THE CASE WORK AND DISPLAY PIECES - DETERMINE WHICH CAN BE RE-USED AND HOW MANY NEW ELEMENTS REQUIRED.	\$0
43	Good for You! at East Bay	11d	Market Stalls	11d-c05	Meat Stall	Market stalls, refurbished and reinstalled in new configuration BREAK OUT TO DISTINGUISH BIG TOYS STALLS FROM THE CASE WORK AND DISPLAY PIECES - DETERMINE WHICH CAN BE RE-USED AND HOW MANY NEW ELEMENTS REQUIRED.	\$0
44	Good for You! at East Bay	11d	Market Stalls	11d-c06	Honey Stall	Market stalls, refurbished and reinstalled in new configuration BREAK OUT TO DISTINGUISH BIG TOYS STALLS FROM THE CASE WORK AND DISPLAY PIECES - DETERMINE WHICH CAN BE RE-USED AND HOW MANY NEW ELEMENTS REQUIRED.	\$0
45	Good for You! at East Bay	11d	Market Stalls	11d-c07	Flowers Stall	Market stalls, refurbished and reinstalled in new configuration BREAK OUT TO DISTINGUISH BIG TOYS STALLS FROM THE CASE WORK AND DISPLAY PIECES - DETERMINE WHICH CAN BE RE-USED AND HOW MANY NEW ELEMENTS REQUIRED.	\$0
46	Good for You! at East Bay	11d	Market Stalls	11d-c08	Checkout Station	Market stalls, refurbished and reinstalled in new configuration BREAK OUT TO DISTINGUISH BIG TOYS STALLS FROM THE CASE WORK AND DISPLAY PIECES - DETERMINE WHICH CAN BE RE-USED AND HOW MANY NEW ELEMENTS REQUIRED.	\$0
47	Good for You! at East Bay	11d	Market Stalls	11d-c09	Trolley Entry	Market stalls, refurbished and reinstalled in new configuration	\$0
48	Good for You! at East Bay	11d	Market Stalls	11d-c10	Richie Tables	Purchased and enhanced with graphics on healthy eating, shopping, local food. Family games, art projects available for visitor use. Premade table covers have alternate activities.	\$1,098
49	Good for You! at East Bay	11e	East Bay House	11e-c01	East Bay House	New constructed cutaway house with kitchen scene for food prep and serving, with new healthy cooking graphics, exercise graphics. Includes reused kitchen counter w/ faux appliances, fixtures; table & chairs.	\$18,300

EXHIBIT E MUSEUM EXHIBITS

50	Good for You! at East Bay	11e	East Bay House	11e-c02	Farm/Vegetable Garden	Reuse of Vegetable Garden currently in Good For You gallery at HOCH	\$0
51	Good for You! at East Bay	11e	East Bay House	11e-c03	Sidewalk Games	Cutaway house with kitchen scene for food prep and serving. Sidewalk Games-hopsotch & hula hoops MOVE TO OUTDOORS AT TERRACE/PLAZA - NOT INSIDE. ADD BACK YARD BBQ AND RELATED ACTIVITIES IN THAT CORNER	\$0
	Good for You! at East Bay	11f	Market Stage	11f-c01	Market Stage		\$0
52	12 Working Waterfront	12a	Area Themeing & Graphics	12a-c01	Welcome Panel - Working Waterfront	Visual panel to orient visitors to this exhibit location: what you can do and what you can learn.	\$0
53	Working Waterfront	12a	Area Themeing & Graphics	12a-c02	Working Waterfront Graphics		\$0
54	Working Waterfront	12b	Whimsical Water Play	12b-c01	Custom Water table	Water table; custom fabricated; two tiers, fun cause-and-effect water activities, "open" water play.	\$183,000
55	Working Waterfront	12c	Dockside Train Yard	12c-c01	Brlo Table	Waterfront-themed Train Table with fixed track and table "mural." Base as piers or pilings, with space to climb underneath and play on other surfaces. One hinged area for maintenance.	\$91,336
56	Working Waterfront	12c	Dockside Train Yard	12c-c02	Brlo Mural	Olympia shipyard waterfront scene behind train play	\$0
57	Working Waterfront	12d	Boat Testing Water Table	12d-c05	Float Your Boat Testing Table	Egan's table with constant current and variable flow/direction for cause and effect in water flow.	\$85,400
58	Working Waterfront	12e	Boatbuilding Buoy	12e-c01	Boatbuilding Buoy Table	Buoy-themed countertop activity area for "tray" activities that can be rotated and changed. Boatbuilding is the primary activity.	\$49,190
59	Working Waterfront	12e	Boatbuilding Buoy	12e-c02	Boat Air Wall	Display for pictures of boats or innovative designs by visitors	\$0
60	Working Waterfront	12f	Puget Sound Science	12f-c01	Microscope Table	Counter-top activity area for activities that can be rotated and changed. Cleanable floor and surfaces around it.	\$25,303
61	Working Waterfront	12g	Cargo Ship	12g-c01	Cargo Ship	Multiple levels, including upper deck and crawl-through Puget Sound diorama below. Hooks and cubbies house fishing gear, weather protection, diving suits and other boat-related dress up. Cargo area with container "cutaways"	\$217,160
62	Working Waterfront	12g	Cargo Ship	12g-c02	Puget Sound Swim Through	Diorama, AV or interactive cutaway of Puget Sound animal and plant life	\$30,854
63	Working Waterfront	12g	Cargo Ship	12g-c03	Crane	Tall steel crane swings and hoists logs or containers from ship to dock and back. Forward deck is the loading area - supplies and boxes (or crab pots) are provided and loaded by crane.	\$126,502
64	Working Waterfront	12g	Cargo Ship	12g-c04	Dock	An elevated pier where supplies can be offloaded from the ship.	\$59,036
65	Working Waterfront	12g	Cargo Ship	12g-c05	Cargo Ship Mural	Olympia shipyard waterfront scene behind cargo ship	\$0
66	Working Waterfront	12g	Cargo Ship	12g-c06	Cargo Dress Up	Dress up outfits for fishing, construction, scuba diving, and long shore work.	\$610
67	Working Waterfront	12g	Cargo Ship	12g-c07	Puget Sound Cold Water Aquarium	Cold saltwater aquarium	\$3,050

EXHIBIT E MUSEUM EXHIBITS

68	Working Waterfront	12h	Interactive Watershed Map	12h-c01	Interactive Watershed Map	"You are here!" Find your house, school or park and see how it relates to our streams, river, inlets and sloughs. LED lights to identify watersheds.	\$0
69	Working Waterfront	12i	In/Out prep zone	12i-c01	Cleaner! Graphics	These fun graphics call attention to things you can do to help improve the health of our beaches and shorelines.	\$0
70	Working Waterfront	12i	In/Out prep zone	12i-c02	Cleaner! Graphics		\$0

EXHIBIT E MUSEUM EXHIBITS

71	13	The Pier: Climber, Stair & Slide	13a	Area Theming & Graphics	13a-c01	Welcome Panel - Climber/Stair/Slide	Visual panel to orient visitors to this exhibit location: what you can do and what you can learn.	\$0
72		The Pier: Climber, Stair & Slide	13a	Area Theming & Graphics	13a-c02	Exhibit Wall/Partition	Tide Pool Diorama	\$26,840
73		The Pier: Climber, Stair & Slide	13b	Waterfront Stair climber	13b-c01	Storm water Slide	Themed slide for quick travel from second floor to first.	\$396,500
74		The Pier: Climber, Stair & Slide	13b	Waterfront Stair climber	13b-c02	Main Stair	Pier-themed wood and metal stair providing central access to upper floor exhibits.	\$0
75		The Pier: Climber, Stair & Slide	13b	Waterfront Stair climber	13b-c03	Integrated Stair Climber	Climbing platforms 6-18" apart, with fall protection and integrated playground equipment elements. Themed for pier / waterfront appearance.	\$0
76		The Pier: Climber, Stair & Slide	13b	Waterfront Stair climber	13b-c04	Eagle Aerie	At the top of the climber (above second floor) an eagle's aerie provides a great view of the museum and beyond.	\$0
77		The Pier: Climber, Stair & Slide	13c	Tot log climber with dinghy	13c-c01	Tot Log Climber and Dingy	A climbing spot for the smallest kids, nestled below the climber and stair - may also shelter an infant zone so that babies can explore as well. (May be a gooseneck or barnacle climber)	\$18,300
78	14	Emergency! (Changing Exhibits Gallery)	14a	Area Theming & Graphics	14a-c01	Welcome Panel - Emergency!	Visual panel to orient visitors to this exhibit location: what you can do and what you can learn.	\$0
79		Emergency! (Changing Exhibits Gallery)	14a	Area Theming & Graphics	14a-c02	Crosswalk, Streetscape & Graphics	Semi permanent floor treatments installed for duration of Emergency! exhibit in traveling exhibit gallery	\$359,900
80		Emergency! (Changing Exhibits Gallery)	14b	911 Dispatch Center	14b-c01	911 Dispatch call center	Command central for 911 dispatch and calling with sight lines to all vehicles. The call center includes walls and windows. Radio communication with all drivers. Interactive to call up maps, communications, addresses.	\$0
81		Emergency! (Changing Exhibits Gallery)	14b	911 Dispatch Center	14b-c02	911 map graphics	Background map graphics to use when responding to calls and solving mysteries.	\$0
82		Emergency! (Changing Exhibits Gallery)	14b	911 Dispatch Center	14b-c03	911 Crime Solving Lab	Straightforward graphics lay out changing scenarios (like the case of the Stolen Second Base!) with clues to follow to solve the mystery.	\$0
83		Emergency! (Changing Exhibits Gallery)	14c	Changing Medical Exhibit	14c-c01	Officer space	Flexible office space for dental, medical, veterinary setups Opens with infant ward of hospital	\$0
84		Emergency! (Changing Exhibits Gallery)	14d	Police Car	14d-c01	Police Car	Ride in the vehicle and role play police activities.	\$0
85		Emergency! (Changing Exhibits Gallery)	14e	Emergency Room & Helicopter	14e-c01	ER Exam Room	Re-uses existing exam table, sink, casework, x-ray display.	\$0
86		Emergency! (Changing Exhibits Gallery)	14e	Emergency Room & Helicopter	14e-c02	Helicopter	Rooftop helicopter is part vehicle, part mural. Includes pilot cockpit, stretcher, and blades above.	\$0
87		Emergency! (Changing Exhibits Gallery)	14e	Emergency Room & Helicopter	14e-c03	Ambulance	Includes exiting play ambulance backed into ER bay, with driver's seats and stretchers.	\$0
88		Emergency! (Changing Exhibits Gallery)	14f	Fire Engine	14f-c01	Fire Engine	Kid-size fire engine with fire hydrant, hoses, and driver's seat. Accessed from stairs to high truck cab.	\$0
89		Emergency! (Changing Exhibits Gallery)	14g	Community Heroes	14g-c01	Emergency! Dress up	Emergency dress up Hooks and supplies for all the dress up required for the varied roles of the Emergency! gallery.	\$1,220
90		Emergency! (Changing Exhibits Gallery)	14g	Community Heroes	14g-c02	Community heroes	Graphics, large images, and input station.	\$6,100
91	21	Our Fabulous Forest	21a	Area Theming & Graphics	21a-c01	Welcome Panel - Our Fabulous Forest	Visual panel to orient visitors to this exhibit location: what you can do and what you can learn.	\$0
92		Our Fabulous Forest	21a	Area Theming & Graphics	21a-c02	Exhibit Wall/Partition	Fun, unique exhibit walls or partitions, specific to adjacent exhibits. Examples: Laminated glass with stream motif, branch fences, building materials, leaves press into acrylic.	\$14,640
93		Our Fabulous Forest	21b	Intro: What is a Tree to Me?	21b-c01	What is a Tree to Me Graphic	Graphically explores all the things a tree can be: a friend, a home, etc.	\$0

EXHIBIT E MUSEUM EXHIBITS

94	Our Fabulous Forest	21c	Forest & Stream	21c-c01	<u>Root Ball Entry</u>	Realistic root ball/nurse log walk-through sculpture. Includes space for a live tree in planter box, peek-a-boo animal dioramas, animal homes.	\$244,000
95	Our Fabulous Forest	21c	Forest & Stream	21c-c02	<u>Rescue Turtle tank</u>	Fresh water animal tank for turtles, tadpoles, peepers, and small fish; underneath viewing for visitors.	\$3,050
96	Our Fabulous Forest	21c	Forest & Stream	21c-c03	<u>Stream Habitat</u>	Stream habitat for kids. Acrylic stream with typical south Puget Sound forest flora & fauna provides a naturalistic scavenger hunt.	\$0
97	Our Fabulous Forest	21c	Forest & Stream	21c-c04	<u>Water wall behind stream</u>	Touchable (but at arm's length) wall of water streaming behind the acrylic stream	\$3,050
98	Our Fabulous Forest	21c	Forest & Stream	21c-c05	<u>Bridge & floor treatment</u>	Bridge over stream and watery floor treatment	\$34,160
99	Our Fabulous Forest	21c	Forest & Stream	21c-c06	<u>Tree & Habitats</u>	South Puget Sound forest trees with animal habitats built in.	\$0
100	Our Fabulous Forest	21c	Forest & Stream	21c-c07	<u>Salmon Overhead</u>	Migrating salmon sculpture float over the stream	\$12,433
101	Our Fabulous Forest	21c	Forest & Stream	21c-c08	<u>Stream Puppet Area</u>	A role play opportunity for would-be young salmon, river otters, waterfowl, trout, and others.	\$0
102	Our Fabulous Forest	21d	Campsite & Forest Science	21d-c01	<u>Campsite</u>	Campsite for forest researcher. Includes tent, campfire, picnic table, bear box or bag, research clipboard, binoculars, and other props.	\$1,220
103	Our Fabulous Forest	21d	Campsite & Forest Science	21d-c02	<u>Woodland Science Station</u>	Science station to explore tree rings (drywet years, fires), rainforest canopy studies, and the importance of large woody debris for healthy streams and salmon habitat.	\$31,488
104	Our Fabulous Forest	21e	Long House & Welcome Pole	21e-c01	<u>Long House</u>	Space to learn Squaxin arts such as basket weaving and cat tail mats; benches, current and historic photographs, welcome animal.	\$32,330
105	Our Fabulous Forest	21e	Long House & Welcome Pole	21e-c02	<u>Welcome Pole</u>	Carved pole featuring the important animals in the lives of tribal people in south Puget Sound.	\$12,200
106	Our Fabulous Forest	21e	Long House & Welcome Pole	21e-c03	<u>Drum Circle</u>	Circle with traditional Squaxin drums LOOK AT PUTTING OUTSIDE INSTEAD - DRUMS TO BE FASTENED UNDER COVER?	\$1,830
107	Our Fabulous Forest	21e	Long House & Welcome Pole	21e-c04	<u>Art Demo Area</u>	Join native artists for traditional craft activities.	\$3,050
108	Our Fabulous Forest	21e	Long House & Welcome Pole	21e-c05	<u>Salmon Sculpture</u>	HOCM Art Piece	\$915

EXHIBIT E MUSEUM EXHIBITS

109	Our Fabulous Forest	21e	Long House & Welcome Pole	21e-c06	<u>View Interpretation</u>	Look to the south, toward the inlet or toward the city. Use binoculars to get a wonderful view from HOCH's windows.	\$0
110	Our Fabulous Forest	21f	Woodland Animal Rescue	21f-c01	<u>Rescue Kennel & Hutch</u>	Woodland and domestic animals to care for, with naturalistic "homes" for the animals under the kids' care. Once the animals are well, take them to their forest homes in the trees. See 21c-c06.	\$0
111	Our Fabulous Forest	21f	Woodland Animal Rescue	21f-c02	<u>Rescue Vet Counter</u>	Rustic wood "examining table"	\$1,220
112	Our Fabulous Forest	21g	Build It!	21g-c01	<u>Rotating Building Table-top</u>	Table available for Lincoln Logs and other table-top building activities	\$24,400
113	Our Fabulous Forest	21g	Build It!	21g-c02	<u>Builder Board Storage</u>	Themed storage shed with detailing such as would be seen on a construction site.	\$24,400
114	Our Fabulous Forest	21g	Build It!	21g-c03	<u>Builder Boards & Themed Construction Area</u>		\$1,220
115	Our Fabulous Forest	21g	Build It!	21g-c04	<u>Keva Block Stump</u>	A large flat slice of a tree provides a table top for Keva blocks and other building activities. Add sealing.	\$63,440
116	Our Fabulous Forest	21g	Build It!	21g-c05	<u>Pin Wall Interactive</u>	HOCH pin wall provides a divider between activities.	\$610
117	Our Fabulous Forest	21g	Build It!	21g-c06	<u>Simple Machine Dioramas</u>	Display areas that highlight the work of visitors, pre-school kids, volunteers or local artists Mini-Dioramas illustrating simple machines using Playmobile people and props, such as a group of people using a pulley to raise a basket into a tree house.	\$50,606
118	Our Fabulous Forest	21h	Tree House	21h-c01	<u>Cedar Tree</u>	Magnificent modeled cedar tree that extends from the lobby up into the second story.	\$0
119	Our Fabulous Forest	21h	Tree House	21h-c02	<u>Tree House</u>	Wood construction with ladders, windows, and viewing bubbles	\$195,200
120	Our Fabulous Forest	21h	Tree House	21h-c03	<u>Tree House Interactives</u>	An old fridge door for magnet poetry. Collections of shells, cones, feathers, match box cars, etc decorate the tree house interior. Scopes for viewing birds across the café.	\$1,830
121	Our Fabulous Forest	21h	Tree House	21h-c04	<u>Tree House Furniture</u>	Crates and log seats	\$2,440
122	Our Fabulous Forest	21h	Tree House	21h-c05	<u>Fairy Caves</u>	Under the cedar tree, a fairy cave to crawl into where there fairy dioramas provide bright hidden discoveries.	\$24,400
123	Our Fabulous Forest	21i	Stage and dress up	21i-c01	<u>Forest Stage</u>	Small stage themed in the woods. Positioned strategically and illuminated with dramatic light. Can be used for costume play, presentations, or events off hours.	\$4,270
124	Our Fabulous Forest	21i	Stage and dress up	21i-c02	<u>Forest Dress Up</u>	Costumes relating to building trades and invention inspire visitors in their role-play	\$1,952
125	Our Fabulous Forest	21i	Stage and dress up	21i-c03	<u>Cedar Grove Mural</u>		\$0
126	Our Fabulous Forest	21j	"What a Tree Can Be" Railings	21j-c01	<u>Railing musical instruments</u>	TBD, may be wooden ? RAILING TREATMENT - GENERAL?	\$2,684
127	22 Snug Harbor	22a	Area Theming & Graphics	22a-c01	<u>Welcome Panel - Snug Harbor</u>	Visual panel to orient visitors to this exhibit location: what you can do and what you can learn. Reminds visitors that this is for kids from birth through age 4, and their guests.	\$0
128	Snug Harbor	22a	Area Theming & Graphics	22a-c02	<u>Snug Harbor shoe cubbies</u>		\$1,220
129	Snug Harbor	22a	Area Theming & Graphics	22a-c03	<u>Snug Harbor gates</u>	2 gates to control entry	\$2,440
130	Snug Harbor	22b	Sliding Salmon Maze & Ramp & Stairs	22b-c01	<u>Sliding Salmon Ramp, Stairs & Maze</u>	Assembly of three stairs, ramp, and salmon wire maze Small fingers run salmon, water bugs, starfish, and other Puget Sound animals up- and downstream on a winding wire maze.	\$31,147
131	Snug Harbor	22c	Baby Beach	22c-c01	<u>Infant Clam Shell</u>	The tiniest visitors can hang out here - a soft safe space for infants, with stuff they love to look at and a mirror above. Padded clam shell with mirror and infant graphics	\$54,815
132	Snug Harbor	22c	Baby Beach	22c-c02	<u>Wobble Walk</u>	An "obstacle course" for crawlers and wobblers. Tall, semi-flexible poles help with early balance development. Fun bird models sit atop each pole (as if they are flying).	\$19,679

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133		Snug Harbor	22c	Baby Beach	22c-c03	Resource Area	Info for adults on parenting, healthy kids, nutrition, child development, etc.	\$0
134		Snug Harbor	22c	Baby Beach	22c-c04	Snug Seating	Nursing seating with overhead beach umbrella	\$1,220
135		Snug Harbor	22c	Baby Beach	22c-c05	Fish Tank	2-sided aquarium, one side faces art activity area, the other to baby beach	\$1,220
136		Snug Harbor	22d	Art Zone	22d-c01	Water Table	Self-contained water table for smaller kids. Fill-and-drain table for water play and other sensory/tactile activities. ADD PAINTING ROCKS TO THIS AREA FOR PAINT WITH WATER, BUT NOT SO THAT WHOLE AREA IS PAINTED WITH WATER...	\$4,880
137		Snug Harbor	22d	Art Zone	22d-c02	Art Table	Counter-top activity area for activities that can be rotated and changed. Cleanable floor and surfaces around it.	\$610
138		Snug Harbor	22d	Art Zone	22d-c03	Sink & hand washing station	Counter-top activity area for activities that can be rotated and changed. Cleanable floor and surfaces around it.	\$3,050
139		Snug Harbor	22e	Climber & Nest	22e-c01	Nest Climber	The Snug Harbor climber accesses a smaller nest with an easier climb. Construction materials are similar to the larger climber, but at a scale to fit toddlers.	\$73,200
140		Snug Harbor	22e	Climber & Nest	22e-c02	Cave	The area under the nest provides a cozy cave space.	\$48,800
141		Snug Harbor	22f	Forest Puppet Play/Role Play	22f-c01	Role-play & puppet stage		\$12,200
142		Snug Harbor	22g	Tot Train Table	22g-c01	Brio Table	Brio Table with fixed track and table "mural."	\$3,660
143		Snug Harbor	22h	Logs for Lentils & Reading	22h-c03	Reading Log	A spot to sit, read, nurse, and watch toddler siblings play	\$0
144		Snug Harbor	22h	Logs for Lentils & Reading	22h-c04	Chill Log	Sensory table experience, tucked away to keep lentils in their place.	\$50,020
145		Snug Harbor	22i	Waterfront Overlook (?)	22i-c01	TED-nailing activities	Use air power to move the mobiles hanging in the double-height space may use air, light, instead.	\$3,172
146	23	Move It! Gallery	23a	Area Theming & Graphics	23a-c01	Welcome Panel - Move It!	Visual panel to orient visitors to this exhibit location: what you can do and what you can learn.	\$0
147		Move It! Gallery	23a	Area Theming & Graphics	23a-c02	Exhibit Wall/Partition	Fun, unique exhibit walls or partitions, specific to adjacent exhibits. Exhibit walls provide non-structural enclosure.	\$9,760
148		Move It! Gallery	23b	Blow-ways	23b-c01	Blow-ways	Cause and effect are clear when scarves and foam balls are sucked in and shot out again. Kids follow the path of travel to predict where things will land.	\$46,360
149		Move It! Gallery	23b	Gravity Wall	23b-c02	Ball Wall	Send the balls up the conveyor belt; build a track to control how gravity brings them back down.	\$91,366
150		Move It! Gallery	23b	Move It! Gallery	23b-c03	Gear Table Top	See the cause and effect of gears - do lots of work with one turn of the handle.	\$21,960
151		Move It! Gallery	23b	Move It! Gallery	23b-c04	Raceways	Which route allows for the fastest time from top to bottom?	\$35,136
152		Move It! Gallery	23b	Move It! Gallery	23b-c05	Light & Shadow Play Room	An oversized version of the classic game. Play with light, color, and shadow in this corner exhibit.	\$28,109
EXTERIOR EXHIBITS								\$0
153	31	Terrace	31a	Area Theming & Graphics	31a-c01	Welcome Panel - Terrace	Visual panel to orient visitors to this exhibit location: what you can do and what you can learn.	\$0

EXHIBIT E MUSEUM EXHIBITS

154	Terrace	31b	Coats, boots, dryers and clean up zone	31b-c01	Coats/Boots/Dryer	Going out? Get your gear. Prepare to play outside with coats, boots, and hats. Coming in? Kids can wash and get the sand off, hang up the raincoat, and get ready to head inside.	\$0
155	Terrace	31c	Moon sand (tables are moveable)	31c-c01	Moon Sand tables		\$10,492
156	Terrace	31d	Activity Area	31d-c01	Activity area		\$4,880
157	Terrace	31e	Slate painting	31e-c01	Slate rocks/feathered brushes		\$1,220
158	Terrace	31f	Touch Tank or Saltwater Tank(?)	31f-c01	Touch tank?		\$30,500
159	32 Raindrop Plaza	32a	Area Themeing & Graphics	32a-c01	Welcome Panel - Raindrop Plaza	Visual panel to orient visitors to this exhibit location: what you can do and what you can learn.	\$0
160	Raindrop Plaza	32b	Plaza Activities	32b-c01	Plaza	Sidewalk games? Easels? Other plaza activities?	\$6,100
161	Raindrop Plaza	32c	Low tide beach patterns	32c-c01	Paving patterns	Discovery elements inset	\$0
162	Raindrop Plaza	32d	Fire Circle / Stage	32d-c01	Fire circle/stage	Out door fire place (gas) with wide shelf/table surround	\$14,640
162	Raindrop Plaza	32d	Fire Circle / Stage	32d-c01	Tentile Shade Structures	Provide shade and some rain protection at Fire circle	\$18,300
163	Raindrop Plaza	32d	Fire Circle / Stage	32d-c02	Climbing Rocks	[no rocks at plaza in exhibit scope]	\$0
164	Raindrop Plaza	32f	Landscape Coordination Items	32f-c01	Landscape Coordination TBD		\$0
165	41 Water's Edge	41a	Area Themeing & Graphics	41a-c01	Welcome Panel - Water's Edge	Visual panel to orient visitors to this exhibit location: what you can do and what you can learn.	\$0
166	Water's Edge	41b	Artesian Spring	41b-c01	Artesian well	Water source for stream and wetlands	\$0
167	Water's Edge	41c	Stream Graphics and Models	41c-c02	Stream		\$0
168	Water's Edge	41d	Stepping Stones Pond and Wetland Graphics and Models	41d-c03	Wetlands	Wetlands for wildlife. Help HOOM nurture frogs, dragonflies, fish, birds, and waterbugs in our very own wetland. Take the wetland trail to view wildlife and track who is calling this pond home.	\$18,300
	Water's Edge		Water Feature		Artesian Well, Stream and Wetlands, Entry Bubbles, Shed and Vault	Construction of concrete water feature, naturalistic stream and rail, flowing into stepping stones pool. Wetland area on separate water system for opportunistic and planted frogs, fish, insects, birds.	\$762,500
169	Water's Edge	41f	Landscape Coordination Items	41f-c01	Landscape Coordination TBD		\$0
170	42 Driftwood Beach	42a	Area Themeing & Graphics	42a-c01	Welcome Panel - Driftwood Fort	Visual panel to orient visitors to this exhibit location: what you can do and what you can learn.	\$0
171	Driftwood Beach	42b	Driftwood Fort	42b-c01	Driftwood fort	Pre-built basis of driftwood fort; secure, includes cleats for sailcloth attachments.	\$246,440
172	Driftwood Beach	42b	Driftwood Fort	42b-c02	Driftwood	Driftwood for building	\$732
173	Driftwood Beach	42b	Driftwood Fort	42b-c03	Sailcloth	for adding to driftwood fort - with grommets and fasteners	\$915
174	Driftwood Beach	42c	Shed and Seating	42c-c01	Shed	Themed with driftwood	\$7,320
175	Driftwood Beach	42c	Shed and Seating	42c-c02	Seating	Made with driftwood	\$610
176	Driftwood Beach	42d	Haystack rocks	42d-c01	Rocks	Real rocks from coast, with sea treasures embedded	\$8,150
177	Driftwood Beach	42d	Haystack rocks	42d-c02	Sandy Beach		\$6,100
178	Driftwood Beach	42d	Haystack rocks	42d-c03	Hamrocks & Fishing nets		\$488
179	Driftwood Beach	42d	Haystack rocks	42d-c04	Canoe and Mud House	Tribal traditional construction	\$14,640
180	Driftwood Beach	42d	Haystack rocks	42d-c05	Surfboards	Colorful themed surfboards, mounted to the ground and set for riding the waves (in a dry suit)	\$1,830
181	Driftwood Beach	42f	Landscape Coordination Items	42f-c01	Landscape Coordination TBD	Planting Allowance	\$1,952
182	51 Children's Garden	51a	Area Themeing & Graphics	51a-c01	Welcome Panel - Children's Garden	Visual panel to orient visitors to this exhibit location: what you can do and what you can learn.	\$0
183	Children's Garden	51b	Vegetable & flower garden	51b-c01	Vegetable/flower bed 1		\$3,050
184	Children's Garden	51b	Vegetable & flower garden	51b-c02	Vegetable/flower bed 2		\$3,050
185	Children's Garden	51b	Vegetable & flower garden	51b-c03	Vegetable/flower bed 3		\$3,050
186	Children's Garden	51b	Vegetable & flower garden	51b-c04	Vegetable/flower bed 4		\$3,050

EXHIBIT E MUSEUM EXHIBITS

187	Children's Garden	51b	Vegetable & flower garden	51b-c05	Compost station		\$1,830
188	Children's Garden	51b	Vegetable & flower garden	51b-c06	Worm Bins		\$1,830
189	Children's Garden	51b	Vegetable & flower garden	51b-c07	Garden hoses	throughout	\$366
190	Children's Garden	51b	Vegetable & flower garden	51b-c08	Garden gates	2-3 colorful and inviting gates	\$6,100
191	Children's Garden	51c	Rain garden	51c-c01	Rain garden	includes rain chains	\$18,300
192	Children's Garden	51c	Rain garden	51c-c02	Children's		\$10,004
193	Children's Garden	51d	Theme gardens	51d-c01	Pizza garden		\$3,050
194	Children's Garden	51d	Theme gardens	51d-c02	Rain garden		\$3,050
195	Children's Garden	51d	Theme gardens	51d-c03	Fairy garden		\$3,050
196	Children's Garden	51d	Theme gardens	51d-c04	Seating		\$1,220
197	Children's Garden	51e	Pump & Rill	51e-c01	Water pump(s)		\$3,050
198	Children's Garden	51e	Pump & Rill	51e-c02	Rill		\$18,300
199	Children's Garden	51f	Garden shed & deck	51f-c01	Garden shed		\$42,700
200	Children's Garden	51f	Garden shed & deck	51f-c02	Deck/Classroom		\$18,300
201	Children's Garden	51f	Garden shed & deck	51f-c03	Seating		\$1,220
202	Children's Garden	51g	Dry & Fragrant Garden	51g-c01	Dry & Fragrant garden		\$3,050
203	Children's Garden	51h	Bird nests/houses/feeder	51h-c01	Birds nests & feeders & birdbath		\$3,050
204	Children's Garden	51i	Landscape Coordination Items	51i-c01	Landscape Coordination TBD	Surfacing allowance	\$3,904
205	52 Sand & Gravel Dig Zone	52a	Area Themeing & Graphics	52a-c01	Welcome Panel - Sand/Gravel Dig	Visual panel to orient visitors to this exhibit location: what you can do and what you can learn.	\$0
206	Sand & Gravel Dig Zone	52b	Gravel play area	52b-c01	Gravel area		\$21,960
207	Sand & Gravel Dig Zone	52b	Gravel play area	52b-c02	Dump Truck	HOCM construction dump truck is great for gravel play projects. This truck is stationary, but built for outdoors, and allows kids to dig, pour and dump sand and gravel. EXISTING TRUCK IS NOT TO BE USED OUTDOORS - INCLUDE reused dumptruck IN BUILDING AREA	\$6,100
208	Sand & Gravel Dig Zone	52b	Gravel play area	52b-c03	Digging Equipment		\$9,760
209	Sand & Gravel Dig Zone	52c	Sand play area	52c-c01	Sand area		\$14,640
210	Sand & Gravel Dig Zone	52c	Sand play area	52c-c02	Raised sand table	Access for wheel-chair users, and others who can't easily play at ground level.	\$41,480
211	Sand & Gravel Dig Zone	52c	Sand play area	52c-c03	Digging Equipment		\$9,760
212	Sand & Gravel Dig Zone	52d	Rocks	52d-c01	Rock passageway	child-sized	\$6,100
213	Sand & Gravel Dig Zone	52d	Rocks	52d-c02	Rock seating areas	adult and child-sized	\$6,100

EXHIBIT E MUSEUM EXHIBITS

162		Sand & Gravel Dig Zone	52d	Rocks	52d-c03	Tensile Shade Structures	Provide shade and some rain protection at sand/gravel play	\$18,300
214		Sand & Gravel Dig Zone	52e	Landscape Coordination Items	52e-c01	Landscape Coordination TBD	Planting Allowance	\$1,464
215	53	Tug Boat	53a	Area Themeing & Graphics	53a-c01	Welcome Panel - Tug Boat	Visual panel to orient visitors to this exhibit location: what you can do and what you can learn.	\$0
216		Tug Boat	53b	Tug boat Mound	53b-c01	Tug Boat	Refurbished or new tug boat	\$292,800
217		Tug Boat	53b	Tug boat Mound	53b-c02	Mound		\$9,760
218		Tug Boat	53f	Landscape Coordination Items	53f-c01	Landscape Coordination TBD		\$0
219	54	The Glade	54a	Area Themeing & Graphics	54a-c01	Welcome Panel - The Glade	Visual panel to orient visitors to this exhibit location: what you can do and what you can learn.	\$0
220		The Glade	54b	Willow Walk & Glade	54b-c01	Willow Walk & "gazebo"	A small garden "house" made from willows	\$30,500
221		The Glade	54b	Willow Walk & Glade	54b-c02	Seating	Child-sized seating in the willow glade	\$1,220
222		The Glade	54b	Willow Walk & Glade	54b-c03	Sound garden/wind chimes		\$1,220
223		The Glade	54c	Forest Platforms/Climber	54c-c01	Platforms	will be site of future tree house	\$7,320
224		The Glade	54c	Forest Platforms/Climber	54c-c02	Birdfeeders		\$1,830
225		The Glade	54c	Forest Platforms/Climber	54c-c03	Climber/lookout tower	Nestled among the trees, with great views.	\$54,900
226		The Glade	54f	Landscape Coordination Items	54f-c01	Landscape Coordination TBD	Planting Allowance	\$7,320

EXHIBIT E

MUSEUM EXHIBITS

227	55	Habitat Garden	55a	Area Theming & Graphics	55a-c01	Welcome Panel - Habitat Garden	Visual panel to orient visitors to this exhibit location: what you can do and what you can learn.	\$0
228		Habitat Garden	55b	Secret Garden	55b-c01	Secret Garden	Lushly planted secret garden that shows what you need to make any outdoor space into a habitat for plants and animals.	\$30,500
229		Habitat Garden	55b	Secret Garden	55b-c02	Entry	Entry has child's door & adult sized door.	\$9,150
230		Habitat Garden	55b	Secret Garden	55b-c03	Child's Playhouse	Child's playhouse is whimsical and inviting.	\$12,200
231		Habitat Garden	55b	Secret Garden	55b-c04	Child's Birdhouses	Artful bird houses	\$1,220
232		Habitat Garden	55b	Secret Garden	55b-c05	Wall Fountain/Bird Bath		\$6,100
233		Habitat Garden	55b	Secret Garden	55b-c06	Stone benches		\$1,220
234		Habitat Garden	55c	Bug Trail	55c-c01	Bug Trail	Stenciled insects lead the way to the Secret Garden	\$1,464
235		Habitat Garden	55d	Giant Chair	55d-c01	Giant chair	Giant garden chair seats 3-4 kids	\$4,680
236		Habitat Garden	55e	Landscape Coordination Items	55e-c01	Landscape Coordination TBD	Planting Allowance	\$3,050
237	56	Outdoor Furnishings & Lighting	56a	Site Furnishings		Benches, garden table		\$24,340
238		Outdoor Exhibit Signage	56b			Interpretative Signage		\$2,440
239		Outdoor Building Signage	56c			Museum Entry & Outdoor Space Signage		\$6,100
240		Outdoor Exhibit Lighting	56d	Specialty Lighting		Lighting for outdoors & specific exhibits	For open evening hours	\$42,700
241		Interior Building Exhibit Cabinetry	57a	Specialty Cabinetry		Exhibit galleries w/art studio		\$964
242		Interior Building Exhibit Cabinetry	57b	Specialty Cabinetry		Portable exhibit embedded ticket desk		\$11,102
243		Interior Exhibit Lighting	58a	Specialty Lighting		All interior exhibit gallery lighting		\$113,460
								\$5,443,481
								\$25,000
								\$210,000
								\$50,000

EXHIBIT E
MUSEUM EXHIBITS

Pricing Notes/Assumptions		
in 2nd floor		
graphics priced as overall package		
graphics priced as overall package		
graphics priced as overall package		
graphics priced as overall package		
graphics priced as overall package		
graphics priced as overall package	\$21,838	Welcome and Lobby total
graphics priced as overall package		
graphics priced as overall package		
Ellsworth garden bench patiofurnitureusa.com at \$200 each		
graphics priced as overall package		
graphics priced as overall package		
graphics priced as overall package		
graphics priced as overall package		
graphics priced as overall package		
graphics priced as overall package		
graphics priced as overall package		
graphics priced as overall package		
graphics priced as overall package		
graphics priced as overall package		
graphics priced as overall package		
graphics priced as overall package	\$19,520	Interstitial Total
graphics priced as overall package		
return this package for use of Graphics Hardware		

EXHIBIT E
MUSEUM EXHIBITS

refurbished package		
refurbished package		
refurbished package		
refurbished package		
refurbished package		
refurbished package		
refurbished package		
refurbished package		
refurbished package		
refurbished package		
refurbished package		
refurbished package		
Base price for child size picnic table \$270 from allpicnictables.com. Assume paint, graphic treatments, games		

EXHIBIT E MUSEUM EXHIBITS

refurbished package		
graphics priced as overall package		
	\$259,653	Good for You Total
graphics priced as overall package		
graphics priced as overall package		
Tom Lindsay estimate		
45' of track + manipulated toys. Retail estimate is \$3700. Suggest Museum to spend \$1200 on C1 component.		
graphics priced as overall package		
2009 price is \$63000 (see Egan's letter)		
graphics priced as overall package		
Retail at wentz scopes \$3000 for 80-400x magnification. \$9000 on C2 Component for 3 scopes.		
graphics priced as overall package		
HOCM to spend \$500 on costumes		

EXHIBIT E MUSEUM EXHIBITS

graphics priced as overall package		
graphics priced as overall package		
	\$871,441	Working Waterfront Total

EXHIBIT E MUSEUM EXHIBITS

graphics priced as overall package		
Price from Turner exhibits - includes architectural stair		
included in climber		
included in climber		
included in climber		
	\$441,640	Climber Area Total
Cost of entire exhibit as removable, traveling exhibit		
Part of overall exhibit cost		
Part of overall exhibit cost		
Part of overall exhibit cost		
Part of overall exhibit cost		
Part of overall exhibit cost		
Part of overall exhibit cost		
Part of overall exhibit cost		
Part of overall exhibit cost		
Part of overall exhibit cost		
Part of overall exhibit cost		
Part of overall exhibit cost		
Estimate \$1000 for costumes, based on Kaplan Early Learning		
Include hero board in exhibit scope	\$367,220	Emergency Total
graphics priced as overall package		
graphics priced as overall package		

EXHIBIT E
MUSEUM EXHIBITS

Cost of Wisconsin - includes turtle tank and stream below		
Included in entry		
Included in entry		
Included in entry		

EXHIBIT E
MUSEUM EXHIBITS

graphics priced as overall package		
refurbished package		
Cost of Wisconsin - both stumps (Keva and Lincoln log)		
Cost of Wisconsin pricing		
Allow \$1500 for interactives and off the shelf items		
Costume allowance of 1500, plus hooks installed at stage		
graphics priced as overall package		
	\$793,038	Fabulous Forest Total
graphics priced as overall package		

EXHIBIT E
MUSEUM EXHIBITS

refurbished package		
Adirondack rockers, beach umbrella with reinforced base		
Train retail allowance of \$1500 plus construction of table and fixed track installed		
Lentil and reading log		
	\$311,333	Snug Harbor Total
graphics provided as overall package		
Allowance	Acme at \$57,500 - \$74,500 for these items	
Mindsplash AirWorks exhibits - price range based on size of install, includes installation		
	\$232,691	Move It Total
graphics provided as overall package		

EXHIBIT E MUSEUM EXHIBITS

graphics priced as overall package	\$519,719	A3 Total
exhibit overlay on site		
Install only - boulders donated		
exhibit overlay on site	\$47,092	Terrace Total
graphics priced as overall package		
exhibit overlay on site - allowance		
Landscape TI and phased item utility connection in base costs		
Landscape TI and phased item utility connection in base costs		
	\$39,040	Raindrop Plaza Total
graphics priced as overall package		
graphics priced as overall package		
Landscape TI and Phased ITEM - includes filtration system and shed		
	\$780,800	Water's Edge Total
graphics priced as overall package		
Cost of Wisconsin pricing, includes big haystack rocks.		
Salvage?		
Install only - boulders donated		
exhibit overlay on site		
Colorful kids' hammock \$130 each		
Donated boards, pay for install		
	\$290,177	Driftwood Beach Total
graphics priced as overall package		
Garden PSF costs, typ with sculptures, borders, soil and plantings (ditto below)		

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EXHIBIT E
MUSEUM EXHIBITS

Landscape T1 and phased item - utility connection in base costs		
	\$135,664	Sand/Gravel Total
graphics priced as overall package		
\$240,000 Per estimate by Pacific Studios, 100K to 150K by Acme	\$211,770	A1 Total
exhibit overlay on site		
	\$302,560	Tug Boat Total
graphics priced as overall package		
Patrick Dougherty - \$15,000 fee plus site visit, expenses, materials and photography. Confirm that Willow Walk (live arbor) is included in this estimate.	\$233,470	A2 Total
	\$104,310	The Glade Total

EXHIBIT E

MUSEUM EXHIBITS

[illegible]

New Hands On Children's Museum Furnishings, Equipment & Personal Property				EXHIBIT MUSE
May 20, 2010				
Description	Quantity	Unit of Measure		
Store Inventory & Casework				
Gift shop display casework	43	lf		\$ 10,750
Store Inventory				\$ 50,000
				\$
Furnishings & Casework				
Staff cabinets - plastic lam lowers	52	lf		\$ 10,400
Staff cabinets - plastic laminate tops of lowers	104	sf		\$ 4,160
Staff cabinets - plastic lam uppers	40	lf		\$ 6,000
Portable admin desk for busy days	22	lf		\$ 5,500
Party Room Mirrors	4	ea		\$ 1,600
Bike Room Wall Racks	3	ea		\$ 600
Portable cabinetry storage for Education storage rooms & general bldg.				\$ 75,000
Workstations				
Workstation computers, desks, files, chairs (35 x 1500)				\$ 52,500
Printers				\$ 10,000
Office supply inventory				\$ 18,190
Equipment & Supplies				
Equipment for party rooms, classrooms, storage rooms & shop				\$ 63,000
Lockers & coat racks				\$ 7,110
Outdoor equipment				\$ 10,000
Janitorial supplies & equipment inventory				\$ 5,000
Software & Telecom Systems				
phone, PA & AV system				\$ 31,000
Point of Sale & Ticketing Software				\$ 100,000
Appliances				
Dishwasher for classrooms	0	ea		\$ -
Refrigerator - FOIO for classrooms	0	ea		\$ -
Washer for classrooms	1	ea		\$ 750
Dryer for classrooms	1	ea		\$ 700
Stove for classrooms	1	ea		\$ 700
Labor to set appliances for classrooms	2	ea		\$ 200
Staff Dishwasher	1	ea		\$ 650
Staff Refrigerator	1	ea		\$ 900
Labor to set staff appliances	2	ea		\$ 200
Museum Kitchen Café Furnishings & Equipment				
Café Equipment				\$ 128,697
Café furniture, condiment bar, recycling center, cabinets & portable storage				\$ 28,000
Café Inventory & supplies				\$ 20,000
				\$ 6,000
			tax	\$ 54,537
			total	\$ 696,144

New Hands On Children's Museum Furnishings, Equipment & Personal Property				EXHIBIT MUSE
May 20, 2010				
Description	Quantity	Unit of Measure		
Store Inventory & Casework				
Gift shop display casework	43	lf		\$ 10,750
Store Inventory				\$ 50,000
				\$ -
Furnishings & Casework				
Staff cabinets - plastic lam lowers	52	lf		\$ 10,400
Staff cabinets - plastic laminate tops of lowers	104	sf		\$ 4,160
Staff cabinets - plastic lam uppers	40	lf		\$ 6,000
Portable admin desk for busy days	22	lf		\$ 5,500
Party Room Mirrors	4	ea		\$ 1,600
Bike Room Wall Racks	3	ea		\$ 600
Portable cabinetry storage for Education storage rooms & general bldg.				\$ 75,000
Workstations				
Workstation computers, desks, files, chairs (35 x 1500)				\$ 52,500
Printers				\$ 10,000
Office supply inventory				\$ 18,190
Equipment & Supplies				
Equipment for party rooms, classrooms, storage rooms & shop				\$ 63,000
Lockers & coat racks				\$ 7,110
Outdoor equipment				\$ 10,000
Janitorial supplies & equipment inventory				\$ 5,000
Software & Telecom Systems				
phone, PA & AV system				\$ 31,000
Point of Sale & Ticketing Software				\$ 100,000
Appliances				
Dishwasher for classrooms	0	ea		\$ -
Refrigerator - FOIO for classrooms	0	ea		\$ -
Washer for classrooms	1	ea		\$ 750
Dryer for classrooms	1	ea		\$ 700
Stove for classrooms	1	ea		\$ 700
Labor to set appliances for classrooms	2	ea		\$ 200
Staff Dishwasher	1	ea		\$ 650
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Museum Kitchen Café Furnishings & Equipment				
Café Equipment				\$ 128,697
Café furniture, condiment bar, recycling center, cabinets & portable storage				\$ 28,000
Café Inventory & supplies				\$ 20,000
				\$ 6,000
			tax	\$ 54,537
			total	\$ 696,144

EXHIBIT F

APPROVED PLANS

TO BE ADDED THROUGH ADDENDUM

**EXHIBIT G
MEMORANDUM OF LEASE FORM**

RECORDED AT THE REQUEST OF
AND AFTER RECORDING RETURN TO:

Attention: _____

MEMORANDUM OF LEASE

Grantor/Lessor: _____

Grantee/Lessee: _____

Abbreviated
Legal Description: _____

Complete legal description on Exhibit A

Assessor's Tax
Parcel No.: _____

This Memorandum of Lease is to give record notice that
_____, a _____ ("Lessor"),
has entered into that certain _____ [actual name of Lease] dated _____
[describe any amendments] to lease certain premises including the land and improvements
located thereon, more particularly described on Exhibit A hereto ([if includes amendments,
"collectively"] the "Lease"), to _____, a
_____ ("Lessee"), for a term of _____ () years commencing on
_____ and expiring _____ () years thereafter.
[describe any extension/renewal options].

[describe any unusual terms contained in the lease]

This Memorandum of Lease has been entered into for the sole purpose of giving notice of
the existence of the Lease. Reference should be made to the Lease for all of the terms, covenants
and conditions set forth therein.

EXHIBIT G
MEMORANDUM OF LEASE FORM

I IT E HE E , Lessor and Lessee have executed this Memorandum of
Lease as of _____.

LESSOR:

By: _____

Name: _____

Its: _____

LESSEE:

By: _____

Name: _____

Its: _____

**EXHIBIT G
MEMORANDUM OF LEASE FORM**

STATE OF WASHINGTON

COUNTY OF _____

ss.

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the _____ of _____ a corporation, to be the free and voluntary act of such corporation for the uses and purposes mentioned in the instrument.

Dated this _____ day of _____, 2010.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington,
residing at _____

My appointment expires _____

STATE OF WASHINGTON

COUNTY OF _____

ss.

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the _____ of _____ a corporation, to be the free and voluntary act of such corporation for the uses and purposes mentioned in the instrument.

Dated this _____ day of _____, 2010.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington,
residing at _____

My appointment expires _____

EXHIBIT G
MEMORANDUM OF LEASE FORM

EXHIBIT A
TO MEMORANDUM OF LEASE

Legal Description

EXHIBIT A