

**Title Officer:** Debbi Hodgson  
Phone: 866-595-6221  
Email: Dhodgson@stewart.com

**Order Number:** 1030563

**Customer Reference:** NTS# 11200729

## SECOND COMMITMENT SCHEDULE A

**1. Effective Date:** December 5, 2011 at 8:00 a.m.

**2. Policy Or Policies To Be Issued:**

( X ) ALTA OWNER'S POLICY, (6/17/06)	<b>Amount:</b>	<b>\$25,180,000.00</b>
( X ) STANDARD ( ) EXTENDED (Underwriting fee – 10%) Commercial General Rate	<b>Premium:</b>	<b>\$21,049.00</b>
	<b>Tax:</b>	<b>\$1,957.56</b>
	<b>Total:</b>	<b>\$23,006.56</b>

**Proposed Insured:** To be determined

(Underwriting fee – 10%)	<b>Amount:</b>	
To be determined	<b>Premium:</b>	
	<b>Tax:</b>	
	<b>Total:</b>	<b>\$ 0.00</b>

**3. The estate or interest in the land described or referred to in this Commitment and covered herein is:**

Fee Simple Estate

**4. Title to said estate or interest in said land is at the effective date hereof vested in:**

The State of Washington, Department of General Administration, an agency of the State of Washington

**5. The land referred to in this commitment is described in Exhibit "A."**

**See Attached Legal Description**

**Exhibit A**  
**LEGAL DESCRIPTION**

File Number: 1030563

Parcel 1:

Lots 21 to 26, inclusive, in Block 906 of Map of New Tacoma, Washington Territory, according to plat filed for record February 3, 1875, in the Office of the County Auditor in Tacoma, Pierce County, Washington;

Together with certain rights to a tunnel and arcade or bridge lying between lots 21, 22 and 23 of said Block 906 and Lots 21, 22 and 23 in Block 907 of said plat, as set forth in Resolution No. 6940 of the City of Tacoma;

Also together with certain air rights above elevation 180.00 City of Tacoma datum over that portion of Court "C" abutting Lot 21 and the North 15 feet of Lot 22, in Block 906, as vacated by Ordinance No. 21823 of the City of Tacoma, recorded under Auditor's File No. 2944556, as the same attaches by operation of law;

Also together with the East 0.5 feet of Court "C" and the West 0.5 feet of Broadway Plaza abutting Lots 21 through 26, Block 906 and the North 0.5 feet of South 11<sup>th</sup> Street abutting Lot 26, Block 906, as vacated by Ordinance No. 22143 of the City of Tacoma, recorded under Auditor's File No. 3005769, as the same attaches by operation of law;

Situate in the City of Tacoma, County of Pierce, State of Washington;

Parcel 2:

Lots 18 to 23, inclusive, in Block 907 of Map of New Tacoma, Washington Territory, according to Plat filed for record February 3, 1875, in the office of the County Auditor, in Tacoma, Pierce County, Washington;

Together with certain rights to a tunnel and arcade or bridge lying between lots 21, 22 and 23 of said Block 906 and Lots 21, 22 and 23 in Block 907 of said plat, as set forth in Resolution No. 6940 of the City of Tacoma;

Also together with the Westerly 2 feet of Court "C" abutting Lots 18 through 23, in Block 907; and together with certain air rights above elevation 180.00 City of Tacoma datum over that portion of Court "C" abutting Lots 21 and the North 15 feet of Lot 22, in Block 907, all as vacated by Ordinance No. 21823 of the City of Tacoma, recorded under Auditor's File No. 2944556, as the same attaches by operation of law;

Also together with certain air space above a plane of 24 feet above the established curb grade of Market Street as vacated by Ordinance No. 18292 of the City of Tacoma, recorded under Auditor's File No. 2191761, as the same attaches by operation of law;

Situate in the City of Tacoma, County of Pierce, State of Washington;

Parcel 3:

Lots 8 to 18, inclusive, in Block 908 of Map of New Tacoma, Washington Territory, according to plat filed for record February 3, 1875, in the office of the County Auditor, in Tacoma, Pierce County, Washington;

Also together with certain air space above a plane of 24 feet above the established curb grade of Market Street as vacated by Ordinance No. 18292 of the City of Tacoma, recorded under Auditor's No. 2191751, as the same attaches by operation of law;

Situate in the City of Tacoma, County of Pierce, State of Washington;

Parcel 4:

Lots 19, 20, 21, 22, 23, 24 and 25, Block 908, New Tacoma, Washington Territory, according to plat filed for record February 3, 1875, in the office of the County Auditor, Pierce County, Washington;

Situate on the City of Tacoma, County of Pierce, State of Washington.

## **COMMITMENT FOR TITLE INSURANCE**

### **SCHEDULE B**

#### **Part I**

**Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company:**

#### **GENERAL EXCEPTIONS**

- A. Taxes or assessments which are not shown as existing liens by the public records.
- B. (i) Unpatented mining claims; (ii) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (iii) water rights, claims or title to water; whether or not the matters described in (i), (ii) & (iii) are shown in the public records; (iv) Indian tribal codes or regulations, Indian treaty or aboriginal rights, including easements or equitable servitudes.
- C. Extended coverage exceptions, as follows:
  - (1) Rights or claims of parties in possession not shown by the public records.
  - (2) Easements, claims of easements or encumbrances which are not shown by the public records.
  - (3) Encroachments, overlaps, boundary line disputes, or other matters which would be disclosed by an accurate survey and inspection of the premises and which are not shown by the public records.
  - (4) Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
- D. Any service, installation, connection, maintenance, tap, capacity, construction or reimbursement charges for sewer, water, electricity or other utilities, or for garbage collection and disposal.
- E. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires of record for value the estate or interest or mortgage thereon covered by this commitment.
- F. Any titles or rights asserted by anyone, including but not limited to persons, corporations, governments, or other entities, to tidelands, or lands comprising the shores or bottoms of navigable rivers, lakes, bays, ocean or gulf, or lands beyond the line of the harbor or bulkhead lines as established or changed by the United States Government, or riparian rights, if any.

#### **SPECIAL EXCEPTIONS FOLLOW**

**COMMITMENT FOR TITLE INSURANCE  
SCHEDULE B  
Part I**

**SPECIAL EXCEPTIONS**

1. Payment of Real Estate Excise Tax, if required.

The property described herein is situated within the boundaries of local taxing authority of the City of Tacoma.

Present Rate of Real Estate Excise Tax as of the date herein is 1.78% and the levy code is 005.

2. The land is carried on the tax rolls as exempt; however, it will become taxable from the date of transfer to a taxable entity and subject to the lien of real property taxes for prior years, if any.

Tax Account No.: 200906-008-0  
Affects: Parcel 1

3. Personal property taxes PAID IN FULL:

Year: 2011  
Amount Billed: \$748.50  
Amount Paid: \$748.50  
Amount Due: \$-0-  
Tax Account No.: 2000200203

4. The land is carried on the tax rolls as exempt; however, it will become taxable from the date of transfer to a taxable entity and subject to the lien of real property taxes for prior years, if any.

Tax Account No.: 200907-008-4  
Affects: Parcel 2

5. The land is carried on the tax rolls as exempt; however, it will become taxable from the date of transfer to a taxable entity and subject to the lien of real property taxes for prior years, if any.

Tax Account No.: 200908-005-1  
Affects: Parcels 3 and 4

6. Personal property taxes PAID IN FULL:

Year: 2011  
Amount Billed: \$979.81  
Amount Paid: \$979.81  
Amount Due: \$-0-  
Tax Account No.: 1200054593

7. Continuing special assessment for downtown business improvement area (BIA), established by Ordinance No. 24058 dated April 5, 1988 of the City of Tacoma and pursuant to RCW Chapter 35.87.A., for more information, call 253-591-5856.

At this time the above described property is not being assessed. Any sale or transfer of all or a portion of said property may result in new assessments.

8. Memorandum of Ground Lease:

Lessor: Washington State Department of General Administration, an agency of the State of Washington  
Lessee: Washington Finance Officers Association  
Recorded: December 4, 1996  
Recording No.: 9612040215

Lessee's interest in said lease is now held of record by:

Assignee: The Bank of New York, as trustee under that certain Trust Agreement dated December 1, 1996  
Assignment Recorded: December 4, 1996  
Recording No.: 9612040217

9. Financing Lease and the terms and conditions thereof:

By and Between Washington Finance Officers Association and Washington State Department of General Administration  
Recorded: December 4, 1996  
Recording No.: 9612040216

Assignment and assumption of financing lease:

Assignee: The Bank of New York, as trustee under that certain Trust Agreement dated December 1, 1996  
Assignor: Washington Finance Officers Association  
Recorded: December 4, 1996  
Recording No.: 9612040218

10. Lease, and the terms and conditions thereof:

Lessor: the State of Washington, Department of General Administration  
Lessee: the State of Washington, Department of Labor and Industries  
For A Term Of: through June 30, 2011  
From: March 1, 2001  
Recorded: June 5, 2001  
Recording No.: 200106050598

Said lease, among other things, provides for an option to renew for a period of an additional 5 years.

Amendment and/or modification by instrument:

Recorded: December 8, 2009 and April 4, 2011  
Recording No.: 200912080497 and 201104040645

11. Lease, and the terms and conditions thereof:  
Lessor: the State of Washington, Department of General Administration  
Lessee: Pastrami's L.L.C., d/b/a Pastrami's New York Eatery & Espresso  
For A Term Of: 10 years  
From: April 1, 2001  
Recorded: June 21, 2001  
Recording No.: 200106210581

Said lease, among other things, provides for an option to renew for 4 additional 5 year terms.

Lessee's interest in said lease is now held of record by:  
Assignee: Chong Kyu Choi, a single person  
Assignment Recorded: March 12, 2007  
Recording No.: 200703120230

Amendment and/or modification by instrument:  
Recording No.: 200203190771, 200307100294 and 200603230237

12. Lease, and the terms and conditions thereof:  
Lessor: the State of Washington, Department of General Administration  
Lessee: Washington State Employees Credit Union  
For A Term Of: through June 30, 2010  
From: May 1, 2001  
Recorded: July 19, 2001  
Recording No.: 200107190720

Said lease, among other things, provides for an option to renew for a period of an additional 5 years.

13. Lease, and the terms and conditions thereof:  
Lessor: the State of Washington, Department of General Administration  
Lessee: Law Offices of Nate Mannakee  
For A Term Of: through February 28, 2007  
From: March 1, 2002  
Recorded: April 5, 2002  
Recording No.: 200204050426

Said lease, among other things, provides for an option to renew for a period of an additional 5 years.

14. Memorandum of Lease:  
Lessor: the State of Washington, Department of General Administration  
Lessee: US General Services Administration  
Recorded: July 1, 2004  
Recording No.: 200407011457
15. Lease, and the terms and conditions thereof:  
Lessor: the State of Washington, Department of General Administration  
Lessee: the State of Washington, Court of Appeals, Division II  
For A Term Of: five years  
From: July 1, 2005  
Recorded: June 17, 2005  
Recording No.: 200506170596

Said lease, among other things, provides for an option to renew for a period of an additional 5 years.

Amendment and/or modification by instrument:

Recorded: September 26, 2008 and November 20, 2008  
Recording No.: 200809260020 and 200811200078

16. Lease, and the terms and conditions thereof:  
Lessor: the State of Washington, Department of General Administration  
Lessee: Pierce County Department of Assigned Counsel  
For A Term Of: 7 years  
From: January 1, 2005  
Recorded: July 12, 2005  
Recording No.: 200507120504

Said lease, among other things, provides for an option to renew for a period of an additional 5 years.

Amendment and/or modification by instrument:

Recorded: January 22, 2010  
Recording No.: 201001220058

**Amendment and/or modification by instrument:**

**Recorded: October 5, 2011**  
**Recording No.: 201110050612**

17. Lease, and the terms and conditions thereof:  
Lessor: the State of Washington, Department of General Administration  
Lessee: the State of Washington, Department of Transportation  
For A Term Of: 5 years  
From: March 1, 2006  
Recorded: March 6, 2006  
Recording No.: 200603060155

Said lease, among other things, provides for an option to renew for a period of an additional 5 years.

18. Lease, and the terms and conditions thereof:  
Lessor: the State of Washington, Department of General Administration  
Lessee: the State of Washington, Department of Social and Health Services, Division of Children and Family Services  
For A Term Of: 5 years  
From: August 1, 2007  
Recorded: October 31, 2007  
Recording No.: 200710310614

Said lease, among other things, provides for an option to renew for a period of an additional 5 years.

19. Lease, and the terms and conditions thereof:  
Lessor: the State of Washington, Department of General Administration  
Lessee: the State of Washington, Board of Industrial Insurance Appeals  
For A Term Of: 5 years  
From: July 1, 2007  
Recorded: December 5, 2007  
Recording No.: 200712050627

Said lease, among other things, provides for an option to renew for a period of an additional 5 years.

Amendment and/or modification by instrument:  
Recorded: July 20, 2009  
Recording No.: 200907200231

20. Lease, and the terms and conditions thereof:  
Lessor: the State of Washington, Department of General Administration  
Lessee: the State of Washington, Department of Health  
For A Term Of: 5 years  
From: November 1, 2007  
Recorded: December 6, 2007  
Recording No.: 200712060470

Said lease, among other things, provides for an option to renew for a period of an additional 5 years.

21. Lease, and the terms and conditions thereof:  
Lessor: the State of Washington, Department of General Administration  
Lessee: the State of Washington, Department of Services for the Blind  
For A Term Of: through June 30, 2017  
From: January 1, 2008  
Recorded: May 1, 2008  
King Co. Recording No.: 20080501000350

Said instrument should be re-recorded in Pierce County.

Said lease, among other things, provides for an option to renew for a period of an additional 5 years.

22. Amendment and/or modification by instrument:  
Recorded: July 20, 2009 and January 25, 2011  
Recording No.: 200907200230 and 201101250386

23. Lease, and the terms and conditions thereof:  
Lessor: the State of Washington, Department of General Administration  
Lessee: the State of Washington, Department of General Administration, Division of State Services, Food Program  
For A Term Of: 2 years  
From: July 1, 2009  
Recorded: July 20, 2009  
Recording No.: 200907200232

Said lease, among other things, provides for an option to renew for a period of an additional 5 years.

- Amendment and/or modification by instrument:  
Recorded: July 13, 2010  
Recording No.: 201007130095

24. Lease, and the terms and conditions thereof:  
Lessor: the State of Washington, Department of General Administration  
Lessee: Andrew Schell, dba Schell Electrical Services  
For A Term Of: 2 years  
From: July 1, 2009  
Recorded: August 25, 2009  
Recording No.: 200908250505

Said lease, among other things, provides for an option to renew for a period of an additional 1 year.

25. Lease, and the terms and conditions thereof:  
Lessor: the State of Washington, Department of General Administration  
Lessee: the State of Washington, Office of the State Auditor  
For A Term Of: 2 years  
From: July 1, 2009  
Recorded: October 5, 2009  
Recording No.: 200910050074

Said lease, among other things, provides for an option to renew for a period of an additional 2 years.

Amendment and/or modification by instrument:

Recorded: January 25, 2011  
Recording No.: 201101250385

26. Lease, and the terms and conditions thereof:  
Lessor: the State of Washington, Department of General Administration  
Lessee: the State of Washington, Office of Administrative Hearings  
For A Term Of: through June 30, 2013  
From: September 1, 2010  
Recorded: December 16, 2010  
Recording No.: 201012160260

Said lease, among other things, provides for an option to renew for a period of an additional 2 years.

27. Evidence of the identity and authority of the officers of The State of Washington, Department of General Administration to execute the forthcoming instrument must be submitted.

28. Any unrecorded leaseholds, right of vendors and holders of security interest on personal property installed upon said property, and right of tenants to remove trade fixtures at the expiration of the term.

29. The attached Commercial Title Affidavit must be completed in full, notarized, and submitted to the Company for review prior to closing.
30. Title is to vest in persons not yet revealed and when so vested will be subject to matters disclosed by a search of the records against their names.
31. An inspection of the land described herein has been ordered to determine any potential lien rights due to improvements or renovations under construction or recently completed. As a result of the inspection, we may require one or more of the following which will be subject to review and acceptance by the Company:
  - A. Execution of Indemnity Agreement regarding Mechanic Liens by borrowers, general contractors, and/or other parties as we may require;
  - B. If a general contractor was employed, a general indemnity executed by both the contractor and owner;
  - C. Evidence of payment from all contractors, subcontractors and material suppliers;
  - D. Review of a current financial statement for the borrowers. If such is not available, a copy of the loan application may be submitted; and
  - E. Such other items as the company at its discretion may deem appropriate
32. Covenants, conditions and restrictions contained in instrument:
 

Recorded: March 18, 1885  
Recording No.: Volume 18 Page 145
33. Party Wall agreement and the terms and conditions thereof:
 

Recorded: July 29, 1921  
Recording No.: 603633
34. Agreement and the terms and conditions thereof:
 

By and Between: Rhodes Investment Company and Western Department Stores  
Recorded: April 17, 1944  
Recording No.: 1343589
35. Easement and the terms and conditions thereof:
 

Grantee: City of Tacoma  
Purpose: to construct and maintain an underground vault and appurtenant equipment  
Affects: that portion of vacated Court "C"  
Recorded: October 6, 1979  
Recording No.: 2953476
36. Covenants, conditions and restrictions contained in instrument:
 

Recording No.: 2488102, 2488269 and 8304290308
37. New Tacoma Urban Renewal and the terms and conditions thereof:
 

Recording No.: 2181126, 2286052, 8110160275 and 8206240136

38. Declaration of land use restrictions in accordance with New Tacoma Urban Renewal Plan and the terms and conditions thereof:  
Recorded: October 3, 1979  
Recording No.: 2947184

Said instrument is a re-recording of instrument recorded under Recording No. 2940190.

39. Covenants, conditions and restrictions contained in instrument:  
Recorded: September 6, 1979 and November 24, 1987  
Recording No.: 2940188 and 8711240110

40. Street Occupancy Permit and the terms and conditions thereof:  
Recorded: October 1, 2004  
Recording No.: 200410010517

41. **The following is added as No. 41:**

**Property Management Lease, and the terms and conditions thereof:**

**Lessor: State of Washington, Department of General Administration**

**Lessee: Gene Kim**

**For A Term Of: Five years**

**From: October 1, 2011**

**Recorded: November 14, 2011**

**Recording No.: 201111140087**

**END OF SPECIAL EXCEPTIONS**

## COMMITMENT FOR TITLE INSURANCE

### SCHEDULE B

#### Part II

**The following are the requirements to be complied with:**

Item (a) Payment to or for the account of the grantors or mortgagors of the full consideration for the estate or interest to be insured.

Item (b) Proper instrument(s) creating the estate or interest to be insured must be executed and duly filed for record

Note: Effective January 1, 1997, and pursuant to amendment of Washington state statutes relating to standardization of recorded documents, the following format and content requirements must be met. Failure to comply may result in rejection of the document by the recorder.

**Format:**

Margins to be 3" on top of first page, 1" on sides and bottom, 1" on top, sides and bottom of each succeeding page.

Font size of 8 points or larger and paper size of no more than 8 ½" by 14".

No attachments on pages such as stapled or taped notary seals, pressure seals must be smudged.

**Information which must appear on the first page:**

Title or titles of document. if assignment or reconveyance reference to auditor's file number or subject deed of trust.

Names of grantor(s) and grantee(s) with reference to additional names on following page(s), if any.

Abbreviated legal description (lot, block, plat name or section, township, range and quarter quarter section for unplatted).

Assessor's tax parcel number(s)

Return address which may appear in the upper left hand 3" top margin

**COMMITMENT FOR TITLE INSURANCE  
SCHEDULE B  
Part II**

**NOTES:**

NOTE A: In order to assure timely recording all recording packages should be sent to:

Stewart Title Company  
4002 Tacoma Mall Blvd. Suite 204  
Tacoma WA 98409  
Attn: Recorder

NOTE B: The description can be abbreviated as suggested below if necessary to meet standardization requirements. The full text of the description must appear in the document(s) to be insured.

Lots 21-26, Block 906, Lots 18-23, Block 907 & Lots 18-25, Block 908, New Tacoma, recorded in Pierce County, Washington.

NOTE C: Please be advised that extended coverage, which would delete paragraphs C, E and F from Schedule B Part 1 to this Commitment, is available for an additional charge (additional underwriting requirements may also apply). Advise your title officer in writing if you desire extended coverage.

NOTE D: The records of Pierce County and/or our inspection indicate that the address of the improvement located on said land is 944-956 Broadway, Tacoma, WA 98402. And 939 and 940 Market Street, Tacoma, WA 98402.

NOTE E: In the event of cancellation, a cancellation charge may be made.

NOTE F: There are no deeds affecting said land recorded within 24 months of the date of this report.

**END OF SCHEDULE B**

tc/dh