

LEASE AGREEMENT

DOX COOPERATIVE MOORAGE ASSOCIATION

THIS AGREEMENT, made and entered into this ____ day of _____, 19__, by and between the Dox Cooperative Moorage Association (hereinafter referred to as the "Cooperative"), having its principal office and place of business at 2235 Fairview Avenue East, Seattle, Washington, and _____ (hereinafter referred to as "Member");

WHEREAS, the Cooperative has been formed for the purpose of acquiring, owning and operating a cooperative owner-resident floating home moorage facility to be located at 2219-2235 Fairview Avenue East, Seattle, Washington, with the intent that its members shall have the right to occupy the moorage sites thereof under the terms and conditions hereinafter set forth; and

WHEREAS, the Member is the owner and holder of a Certificate of Membership of the Cooperative;

NOW, THEREFORE, in consideration of One Dollar (\$1.00) to each of the parties paid by the other party, the receipt of which is hereby acknowledged, and in further consideration of the mutual promises contained herein, the Cooperative hereby lets to the Member, and the Member hereby hires and takes from the Cooperative, moorage site number _____, located at _____ Fairview Avenue East, Seattle,

Washington, for the purpose of mooring a floating home whose float measures _____, bearing KCA # _____.

TO HAVE AND TO HOLD said moorage site unto the Member, his or her heirs, executors, administrators and authorized assigns, on the terms and conditions set forth herein and in the Articles of Association and Bylaws of the Cooperative and any rules and regulations of the Cooperative now or hereafter adopted pursuant thereto, from the date of this Agreement, for ninety-nine (99) years.

ARTICLE I. MONTHLY CARRYING CHARGES

On or before the date of execution of this Agreement, the Member has paid to the Cooperative the subscription price for his or her membership in the amount of \$ _____

Commencing at the time indicated in Article 2 hereof, the Member agrees to pay to the Cooperative a monthly sum referred to herein as "Carrying Charges," as defined in the Bylaws, including but not limited to the monthly subscription fee, common expenses and operating reserve.

The Board of Trustees shall determine the amount of the Carrying Charges annually, but may do so at more frequent intervals, should circumstances so require. Members will be given 30 days notice of any changes. No member shall be charged with more than his or her proportionate share thereof as determined by the Board of Trustees, according to the Bylaws. The amount of the Carrying Charges required for payment on the principal of the mortgage of the Cooperative or

any other capital expenditures shall be credited upon the books of the Cooperative to the "Paid-In Surplus" account as a capital contribution by the members. Until further notice from the Cooperative, the monthly Carrying Charges for the above-mentioned mooring site shall be \$_____.

ARTICLE II. WHEN PAYMENT OR CARRYING CHARGES TO COMMENCE

Upon fulfillment of the Subscription Agreement, and upon demand by the Cooperative, the Member shall make a payment of Carrying Charges covering the first month of operation. Thereafter, the Member shall pay Carrying Charges in advance on or before the first day of each month.

ARTICLE III. PATRONAGE REFUNDS

The Cooperative agrees on its part that it will refund or credit to the Member within ninety (90) days after the end of each fiscal year, his or her proportionate share of such sums as have been collected in anticipation of expenses which are, in the discretion of the Board of Trustees, in excess of the amounts needed for expenses of all kinds, including reserves.

ARTICLE IV. USE OF PREMISES

The Member shall not permit or suffer anything to be done or kept upon said premises which will increase the rate of insurance on the moorage facility, or which will obstruct or interfere with the rights of other occupants, or annoy them by unreasonable noises or otherwise, nor will he or she commit or permit any nuisance on the premises or

commit or suffer any illegal act to be committed thereon. The Member shall comply with all of the requirements of the Department of Health Services and of all other governmental authorities with respect to said premises. If by reason of the occupancy or use of said premises by the Member the rate of insurance on the moorage facility shall be increased, the Member shall become personally liable for the additional insurance premiums.

ARTICLE V. MEMBER'S RIGHT TO PEACEABLE POSSESSION

In return for the Member's continued fulfillment of the terms and conditions of this Agreement, the Cooperative covenants that the Member may, at all times while this Agreement remains in effect, have and enjoy for his or her sole use and benefit the moorage site hereinabove described, and may enjoy in common with all other members of the Cooperative the use of all community property and facilities of the entire cooperative community.

ARTICLE VI. NOTICE OF SUBLETTING OF FLOATING HOMES

The member hereby agrees to notify the Cooperative of the names and telephone number of any sublessors of Member's floating home. Members will also provide the Cooperative with his or her address and telephone number while living off the moorage facility.

ARTICLE VII. TRANSFERS

Neither this Agreement nor the Member's shares shall be transferable or assignable except in the same manner

as may now or hereafter be provided for the transfer of memberships in the Bylaws of the Cooperative. This shall not preclude assignment of this Lease to a financial institution for the purpose of obtaining financing on the Member's floating home.

ARTICLE VIII. MANAGEMENT, TAXES AND INSURANCE

The Cooperative shall provide necessary management, operation and administration of the moorage facility; pay or provide for the payment of all taxes or assessments levied against the moorage facility; procure and pay or provide for the payment of fire insurance and extended coverage, and other insurance as required by any mortgage on the moorage facility property and the moorage facility. The Cooperative will not, however, provide insurance on the Member's floating home or on his or her personal property.

ARTICLE IX. UTILITIES

The Cooperative shall provide water, sewer, dock lighting and garbage collection. The Member shall pay the supplier directly for all other utilities (including, without limitation, electricity or oil used by the floating home).

ARTICLE X. REPAIRS

(a) By Member. The Member agrees to repair and maintain his or her floating home at his or her own expense in conformity with the standards required by all applicable laws and governmental regulations. The Member agrees to pay for all necessary repairs, maintenance or replacements to the

moorage facility property necessitated by his or her own negligence or misuse. This includes infestations of insects, rodents or other pests which might do damage to the dock or neighboring homes.

(b) By Cooperative. The Cooperative shall provide and pay for all necessary repairs, maintenance and replacements to the moorage facility except as specified in clause (a) of this Article X. The officers and employees of the Cooperative shall have the right to go on the decks of the Member's floating home with reasonable notice in order to effect necessary repairs, maintenance, and replacements, and to authorize boarding for such purposes by employees of any contractor, utility company, municipal agency, or others, at any reasonable hour of the day, and in the event of emergency at any time. The Member also agrees to allow the Cooperative to temporarily remove his or her floating home from its moorage site for the purpose of making repairs or alterations to the moorage facility upon adequate notice.

(c) Right of Cooperative to Make Repairs at Member's Expense. In case the Member shall fail to effect the repairs, maintenance or replacements specified in clause (a) of this Article X in a manner satisfactory to the Cooperative within a reasonable period of time and pay the same, the Cooperative may effect the repairs, maintenance or replacements and add the cost thereof to the Member's next month's Carrying Charges payment.

ARTICLE XI. ALTERATIONS AND ADDITIONS.

Any plan that requires issuance of a Shoreline or Building Permit involving substantial modification or alteration to the exterior of a residence, float, or deck, change in the position of a floating home with respect to the pier, or exchange of one floating home for another to be moved into the same location, must be brought to the attention of the Board of Trustees and neighbors on whom such change would have an impact at least two (2) weeks prior to the proposed date of initiation of such a plan through submission of scale building plans. The President will then call a special meeting of the Board of Trustees for the purpose of discussing the plan. At this meeting, consideration will be given to the following:

(a) Effect of the proposed modification or change on views, light and air space with regard to other moorage residents.

(b) Effect the proposed modification or change may have on the general appearance of the moorage.

(c) Effect the proposed modification or change may have on the environment of the immediately neighboring floating homes.

ARTICLE XII. COOPERATIVE CONTROLS ON MOORAGE PROPERTY

The Cooperative shall control how the individual floating homes at the moorage facility are attached to the docks as well as the placement of the floating homes within

the individual moorage sites. All of the water area not covered by the individual floating homes is a community facility of the Cooperative and is subject to control by the Cooperative.

The Board of Trustees have final authority over pleasure boat moorage. Current usage by cooperative members shall be retained unless there is a substantial change in circumstances, such as but not limited to, obstruction of waterways or obstruction of a view.

ARTICLE XIII. DEFINITION OF DEFAULT BY MEMBER
AND EFFECT THEREOF

It is hereby mutually agreed as follows: If at any time after the happening of any of the events specified in clauses (a) to (i) of this Article XIII, the Cooperative shall give to the Member a notice that this Agreement will expire at a date not less than thirty (30) days thereafter, this Agreement and all of the Member's rights under this Agreement will expire on the date so fixed in such notice, unless in the meantime the default has been cured in a manner deemed satisfactory by the Cooperative, it being the intention of the parties hereto to hereby create conditional limitations. If the default is not cured upon a two-thirds (2/3) vote of the membership, the defaulting member must remove his floating home from the moorage facility within thirty (30) days. Upon expiration of this thirty (30) day period, it shall thereupon be lawful for the Cooperative to

reenter the moorage site and remove all persons and personal property therefrom, either by summary dispossession proceedings or by suitable action or proceeding at law or in equity or by any other proceeding which may apply to the eviction of tenants by force or otherwise, and to repossess the moorage site in its former state as if this agreement had not been made.

(a) In case at any time during the term of this Agreement the Member shall cease to be the owner of a floating home at the Cooperative moorage facility.

(b) In case the Member attempts to transfer or assign this Agreement in a manner inconsistent with the provisions of the Bylaws.

(c) In case at any time during the continuance of this Agreement a receiver of the Member's property shall be appointed under any of the laws of the United States, the State of Washington, or any other governmental unit having jurisdiction.

(d) In case at any time during the continuance of this Agreement, the Member shall make a general assignment for the benefit of creditors.

(e) In case at any time during the continuance of this Agreement the membership rights of a member in the Cooperative shall be duly levied upon and sold under the process of any court.

(f) In case the Member fails to effect and/or pay for repairs and maintenance and replacements as provided for in Article X hereof.

(g) In case the Member shall fail to pay any sum due pursuant to the provisions of Article I or Article X hereof.

(h) In case the Member shall default in the performance of any of his or her obligations under this Agreement.

(i) In case the Member shall fail to pay any charge which, if not paid, could become a lien against the moorage facility.

The Member hereby expressly waives any and all right of redemption in case he or she shall be dispossessed by judgment or warrant of any court or judge; the words "enter," "reenter," and "reentry," as used in this Agreement are not restricted to their technical legal meanings, and in the event of a breach or threatened breach by the Member of any of the covenants or provisions hereof, the Cooperative shall have the right of injunction and the right to invoke any remedy allowed at law or in equity, as if reentry, summary proceedings, and other remedies were not provided for herein.

The failure on the part of the Cooperative to avail itself of any of the remedies given under this Agreement shall not waive nor destroy the right of the Cooperative to avail itself of such remedies for similar or other breaches on the part of the Member.

The Member expressly agrees that there exists under this Agreement a "landlord-tenant" type of relationship and that in the event of a breach or threatened breach by the Member of any covenant or provision of this Agreement, the Bylaws or the Moorage Covenant, there shall be available to the Cooperative such legal remedy or remedies as are available to a landlord for the breach or threatened breach under the law by a tenant of any provision of a lease or rental agreement.

ARTICLE XIV. MEMBER TO COMPLY WITH ALL
COOPERATIVE REGULATIONS

The Member covenants that he or she will preserve and promote the cooperative ownership principles on which the Cooperative has been founded, abide by the Articles of Association, Bylaws, rules and regulations of the Cooperative, together with any amendments thereto, and with the Dox Moorage Covenant, copies of which are attached hereto and by this reference made a part hereof, and by his or her acts of cooperation with its other members bring about for himself or herself and his or her co-members a high standard in home and community conditions. The Cooperative agrees to make its rules and regulations known to the Member by delivery of same to him or her or by promulgating them in such other manner as to constitute adequate notice. The Member hereby ratifies all agreements executed by the Cooperative on or before the date hereof.

The remedies provided for enforcement of Cooperative rules and regulations included in this Lease Agreement, the Bylaws and the Moorage Covenant are cumulative, and the Board or Managing Agent, if any, may pursue them independently, as well as any other remedies, including but not limited to the termination of utility services, which may be available under the Bylaws, the Act, the Lease Agreement, the Moorage Covenant or the laws of the State of Washington although not expressed herein.

ARTICLE XV. LATE CHARGES AND OTHER COSTS

IN CASE OF DEFAULT

The Member covenants and agrees that, in addition to the other sums that have become or will become due, pursuant to the terms of this Agreement, the Member shall pay to the Cooperative a late charge in an amount to be determined from time to time by the Board of Trustees for each payment of Carrying Charges, or part thereof, more than two (2) days in arrears.

If a Member defaults in making a payment of Carrying Charges or in the performance or observance of any provision of this Agreement, and the Cooperative has obtained the services of any attorney with respect to the defaults involved, the Member covenants and agrees to pay to the Cooperative any costs or fees involved, including actual attorneys' fees, notwithstanding the fact that a suit has not

yet been instituted. In case a suit is instituted, the prevailing party shall be entitled to recover the costs of the suit, in addition to other aforesaid costs and fees.

ARTICLE XVI. HOLD HARMLESS AND INDEMNIFY

The Member shall hold harmless and indemnify the Cooperative against all claims, demands or causes of action by third parties or costs and expenses connected therewith resulting from bodily injury or damages of any kind caused on or about the moorage facility due to the negligence of the Member, his or her agent, invitees or guests.

The Cooperative shall hold harmless and indemnify the Member against all claims, demands or causes of action by third parties or costs and expenses connected therewith resulting from bodily injury or damages of any kind caused on or about the moorage facility due to the negligence of the Cooperative, its agents, invitees or guests.

ARTICLE XVII. EMINENT DOMAIN

If any material portion of the moorage facility leased or owned by the Cooperative is taken by eminent domain, this Agreement shall automatically terminate as of the date the Member is required to vacate the leased moorage site and all Carrying Charges shall be paid to that date. The Cooperative reserves all rights to damages to the moorage facility property owned by the Cooperative for any taking by eminent domain and the Member hereby assigns to the Cooperative any right the Member may have to such damages or award,

and the Member shall make no claim against the Cooperative for damages for termination of the leasehold interest or for interference with the Member. The Member shall have the right, however, to claim and recover from the condemning authority compensation for any loss to which the Member may suffer as a result of such condemnation.

ARTICLE XVIII. NOTICES

Whenever the provisions of law or the Bylaws of the Cooperative or this Agreement require notice to be given to either party hereto, any notice by the Cooperative to the Member shall be deemed to have been duly given, and any demand by the Cooperative upon the Member shall be deemed to have been duly made if the same is delivered to the Member at his or her floating home or to the Member's last known address; and any notice or demand by the Member of the Cooperative shall be deemed to have been duly given if delivered to an officer of the Cooperative. Such notice may also be given by depositing same in the mails addressed to the Member as shown in the books of the Cooperative, or to the President of the Cooperative, as the case may be, and the time of mailing shall be deemed to be the time of giving of such notice.

ARTICLE XIX. ORAL REPRESENTATIONS NOT BINDING

No representations other than those contained in this Agreement, the Articles of Association, the Subscription Agreement, the Dox Moorage Covenant, and the Bylaws of the Cooperative shall be binding upon the Cooperative.

ARTICLE XX. REMEDIES

The exercise of any of the rights or remedies as herein provided with respect to any default shall not preclude or affect the subsequent exercise of such rights or remedies at different times for different defaults.

The respective rights or remedies, whether provided by this Agreement or by law, or available in equity, shall be cumulative and the exercise of any one or more of such rights or remedies shall not preclude or affect the exercise, at the same or at different times, of any other such rights or remedies for the same or different defaults, or for the same or different failures of the Member to perform or observe any provision of this Agreement.

ARTICLE XXI. SEVERABILITY

The provisions of this Agreement are separate and severable and the finding that any particular clause, sentence, paragraph, section or article of this agreement is illegal or unenforceable shall not affect the enforceability or validity of any other clause, sentence, paragraph, section or article.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and sealed the day and year first above written.

MEMBER/LESSEE

DOX COOPERATIVE MOORAGE
ASSOCIATION

By: James Carlson
President

Zella Quaxette
Secretary

21/226