



201509250068

Skagit County Auditor

\$155.00

9/25/2015 Page

1 of

12 12:14PM

Land Title and Escrow

Title order 151248-0

After Recording Return To:

Vedder Price P.C.

222 North LaSalle Street

Chicago, Illinois 60601

Attn: Michael A. Nemeroff (CWM))

Document Title: Ground Lessor Estoppel Certificate and Consent

Reference number of documents assigned or released: _____

Grantor/Lessor: Port of Skagit County, a Washington municipal corporation

Grantee: Monroe Capital Management Advisors, LLC, as administrative agent

Lessee: Team Corporation, a Washington corporation

Abb. Legal Description: Lot 25, Am. Skagit Regional BSP, Ph. 1, AF #200303040030 (Full Legal Description on Exhibit A of this document)

Assessor's Parcel/Tax I.D. Number: 8012-000-025-0000; 8012-000-025-0100

GROUND LESSOR ESTOPPEL CERTIFICATE AND CONSENT

The Port of Skagit County, a Washington municipal corporation ("Lessor"), being the present owner and lessor of certain land and premises located in the county of Skagit, State of Washington (the "Leasehold Property"), as more fully described in the Land Lease Agreement dated of October 1, 2014, (- the "Ground Lease"), by and between Lessor and Team Corporation, a Washington corporation ("Lessee"), a memorandum of which was recorded in Skagit County, Washington on October 28, 2014 under Skagit County Auditor's File Number 201410280086, understands and acknowledges that MONROE CAPITAL MANAGEMENT ADVISORS, LLC, as administrative agent, for its benefit and the benefit of lenders (in such capacity, together with its successor and/or assigns "Agent") is about to make certain loans to Lessee or one of its affiliates, to be secured by Lessee's interest in the Ground Lease and the Lessee's leasehold estate created thereby. Lessor further understands that it is a condition of the making of said

loans that this certificate and consent be furnished to Agent. In consideration of the mutual benefits to be derived therefrom, Lessor, without warranty, and Agent agree and certify as follows:

1. The Ground Lease is in full force and effect and has not been assigned, modified, supplemented or amended in any way, and that there shall be no voluntary cancellation, surrender or modification of the Ground Lease, by mutual agreement of the parties thereto, without at least fifteen (15) days' notice to Agents.

2. The Lessor approved the Ground Lease, and there are no other assignments, addendums, estoppel certificates, amendments, subleases or other agreements with respect to the Ground Lease known to Lessor except as set forth above in the description of the Ground Lease.

3. There is no default presently known to exist under the Ground Lease in the payment of rent or in the observance or performance of any other covenant or condition to be observed or performed by Lessee or Lessee's predecessors in interest, and Lessor has no knowledge of any facts or information that, with the giving of notice, passage of time, or both, would constitute a default by Lessee thereunder.

4. Lessor, without inquiry has no actual knowledge of any prior assignment, except as herein stated, or of any prior hypothecation or pledge of Lessee's interest in the Ground Lease.

5. The initial term of the Ground Lease expires on September 30, 2044, which term may be extended as set forth in Section 2(b) of the Ground Lease. (True?)

6. Lessor consents to Lessee's execution and recording of the deed/deeds of trust and personal property security agreements and other loan and security documents (copies of which were previously delivered to Lessor), pledging Lessee's interest in the Ground Lease to Agent, which granting of security includes an assignment of Lessee's interest in the Ground Lease to Agent to secure the loans or other financial accommodations Agent is making or will make to Lessee, and to the attachment of said security interests to Lessee's interest in the Ground Lease, subject to the following:

A. Lessor's consent contained herein shall not waive any of its rights to consent to any subsequent mortgage of Lessee's leasehold interest, assignment, sublease or other transfer. Agent hereby acknowledges and agrees that Lessor shall have no obligation or liability under the terms of the Leasehold Mortgage.

**GROUND LESSOR ESTOPPEL
CERTIFICATE AND CONSENT**


LESSOR


LESSEE


AGENT

B. Should Agent become Lessee under the Ground Lease, it shall assume and meet all existing and subsequent liabilities of Lessee under the Ground Lease; provided, that its liability shall be limited to its interest in the Ground Lease; and provided further, that Agent shall not be liable for any liabilities of Lessee accruing prior to possession unless Lessor was on notice of the basis for such liabilities and notice thereof has been provided to Agent per Paragraph 7 below. Agent must promptly provide written notice to Lessor should it become Lessee under the Ground Lease.

C. This consent shall not be construed as an agreement to subordinate Lessor's interest in the Premises to the Leasehold Mortgage. The Leasehold Mortgage shall not encumber the Leasehold Property in any fashion once the Ground Lease is terminated.

D. If the interests of Lessee in the Leasehold Property are owned by Agent by reason such as by deed-in-lieu of foreclosure, judicial foreclosure, sale pursuant to any power of sale or other proceeding brought by Agent or by any other manner, including but not limited to Agent's exercise of its rights under the Leasehold Mortgage, and Agent succeeds to the interest of Lessee under the Ground Lease, Agent shall be bound to Lessor under all of the terms, covenants and conditions of the Lease for the balance of the term thereof remaining and any extension thereof duly exercised by Lessee with the same force and effect as if Agent were the Lessee under the Ground Lease; and Agent hereby attorns to Lessor, as its landlord, said attornment to be effective and self-operative, with the execution of any further instruments on the part of any of the parties hereto, immediately upon Agent succeeding to the interest of Lessee under the Ground Lease. The respective rights and obligations of Lessor and Agent upon such attornment, to the extent of the then remaining balance of the term of the Ground Lease, shall be and are the same as now set forth therein, it being the intention of the parties hereto for the purpose of this Section 6(D) to incorporate the Ground Lease in this GROUND LESSOR ESTOPPEL CERTIFICATE AND CONSENT by reference, with the same force and effect as if set forth in full herein.

E. Lessor makes no representations or warranties, expressed or implied, concerning the condition of the Leasehold Property, and as between Lessor and Agent; Agent agrees to accept the Leasehold Property in its "as-is" condition as of the date, if any, that it succeeds to the interest of Lessee under the Lease, subject to Lessor's obligations under the Lease. Lessor's limited consent to assignment herein stated shall terminate upon payment in full to Agent of the above-referenced loan by Lessee, or by

GROUND LESSOR ESTOPPEL
CERTIFICATE AND CONSENT


LESSOR


LESSEE


AGENT

payment in full of loan proceeds by a new assignee to Agent as the financing institution. In either event, Lessee is obligated to notify the undersigned of the same, in writing, within (10) days of the terminating event. If Lessee fails to provide said timely written notice, by acceptance of this GROUND LESSOR ESTOPPEL CERTIFICATE AND CONSENT, Lessee has agreed to pay all the undersigned's reasonable costs associated with verifying that this letter agreement has in fact terminated on account of one of the events first above referenced.

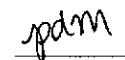
F. Lessor hereby consents, pursuant to the provisions of Paragraph 9, of the Ground Lease, "CONSTRUCTION OF IMPROVEMENTS," and Subparagraph (a)(i), "Conceptual Approval," to the conceptual drawings submitted in accordance therewith.

7. Lessor, upon providing Lessee with notice of any default, termination, or any failure to exercise any extension option, shall simultaneously serve a copy thereof upon Agent, and notice shall not be deemed to have been served upon Lessee unless Lessor shall simultaneously serve a copy of such notice upon Agent. Upon receipt of written notice of any default of Lessee, Agent shall have sixty (60) days after service of such notice upon Agent to remedy or cause to be remedied the defaults complained of, and Lessor shall accept such performance as if the same had been done by Lessee. Lessee hereby authorizes Agent to take all such actions at Agent's option. Lessee and Lessor hereby authorize entry upon the Leasehold Property by Agent and its agents to take all such actions, provided, that while on the Leasehold Property Agent and its agents shall act in full compliance with the Ground Lease. If the default is one that cannot reasonably be cured by Agent (such as insolvency, bankruptcy or other judicial proceedings against Lessee, or the failure to maintain continuous business operations), then Lessor will not terminate the Ground Lease so long as Lessor receives all sums due under the Ground Lease for the period during which Agent is in possession of the Leasehold Property, or so long as Agent reassigns the Ground Lease to a new lessee reasonably satisfactory to the Lessor.

8. In the event the Ground Lease terminates for any reason, including the rejection of the Ground Lease in a bankruptcy proceeding, or in the event that Agent forecloses its deed of trust or security interest on Lessee's interest in the Ground Lease, Lessor agrees to enter into a new ground lease with Agent for the remainder of the term, effective as of the date of such termination, with conditions, covenants and agreements as contained in the Ground Lease, except as provided herein ("New Ground Lease"). If Agent elects to enter into a New Ground Lease, Agent shall deliver a written request to Lessor for such a new lease within sixty (60) days after the notice of termination has been served upon Agent, together with all sums then due to

**GROUND LESSOR ESTOPPEL
CERTIFICATE AND CONSENT**


LESSOR


LESSEE


AGENT

Lessor under the Ground Lease which have not otherwise been received by Lessor, and shall further agree to remedy any and all defaults of Lessee then in existence for which Agent was previously notified per Paragraph 7 above and are susceptible to cure.

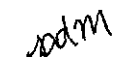
9. Notwithstanding anything to the contrary contained in the Ground Lease, Agent shall have the right to assign its interest in the New Ground Lease to a third party. Lessor shall have the right to approve any proposed assignment of the New Ground Lease, but such approval shall be based on the Lessor's reasonable application of a due diligence review of the proposed assignee's financial ability to meet the terms of the Lease. Any assignee constituting an Institutional Investor is deemed approved by Lessor. Assignment shall be made only to a proposed assignee whose utilization of the premises meets the requirements of Subparagraphs (a), "Business Purpose," and (b), "Minimum Employment," of Paragraph 3, "BUSINESS PURPOSE / MINIMUM EMPLOYMENT," in the Ground Lease. The term "Institutional Investor" shall refer to a savings bank, savings and loan association, commercial bank, trust company, credit union, insurance company, college, university, state, or local governmental authority, real estate investment trust, pension fund and other lenders of substance which are actively engaged in commercial real estate financing and subsidiaries of any of the foregoing which are regularly engaged in the business of making real estate mortgage loans, and shall include Agent. The foregoing notwithstanding, no such assignment shall be deemed approved unless and until the Lessor receives, in a form reasonably acceptable to the Lessor, the assignee's fully executed, acknowledgement and assumption of all the Lessee's obligations under the New Ground Lease.

10. In the event that Agent forecloses its deed of trust or other security interest on Lessee's interest in the Ground Lease, Lessor agrees that Agent may use the Leasehold Property for a purpose not inconsistent with the use described in the subparagraphs (a), "Business Purpose," and (b), "Minimum Employment," of Paragraph 3, "BUSINESS PURPOSE / MINIMUM EMPLOYMENT," in the Ground Lease. Lessor further agrees that Agent may enter into one or more third party sublease agreements with respect to some or all of the Leasehold Property as provided in Paragraph 29 of the Ground Lease entitled Assignment and Sublease.

11. Agent shall not be liable under the Ground Lease following the assignment or other disposition (not including a sublease) of the Leasehold Property for any liability or obligation that accrues after assignment. However, if Agent is the financing institution of the new assignee, Agent shall have the same rights with respect to the assignee, the Lessor and the Leasehold Property as set forth herein.

**GROUND LESSOR ESTOPPEL
CERTIFICATE AND CONSENT**


LESSOR


LESSEE


AGENT

12. Agent may be named as its interest shall appear on any standard mortgage endorsement, on any and all insurance covering the Leasehold Property, the improvements, or any part thereof. The Leasehold Mortgage terms providing the manner for the disposition of insurance and condemnation proceeds shall control.

13. Lessor has no actual knowledge or notice of the existence of hazardous wastes or hazardous products located on the Leasehold Property, and no state or federal agency has notified Lessor that any type of hazardous waste cleanup is required or necessary with respect to the Leasehold Property. Lessor has not conducted any environmental review of the Property.

14. The Leasehold Property is properly zoned for the use described in the Lease. Lessor has no pending plans or proposals to condemn the Leasehold Property or any part thereof, and Lessor has not engaged in any legal action, lawsuits or other proceedings that may result in the condemnation of the Leasehold Property.

15. Lessor agrees to not create or grant any mortgage or other lien or encumbrance affecting Lessor's fee interest in the Leasehold Property or its interest in the Ground Lease unless such mortgage or other encumbrance is by its terms subordinate to the Ground Lease, to any New Ground Lease, and all extensions, renewals, modifications and replacements thereof, whether created or occurring before or after such mortgage or other encumbrance.

16. Notwithstanding anything contrary set forth herein or in the Ground Lease, on one or more occasions, Lessee may mortgage or otherwise encumber Lessee's leasehold interest in the Leasehold Property to an Institutional Investor under one or more leasehold mortgages and each such Institutional Investor shall have the same rights as Agent with respect to Lessee, Lessor and the Leasehold Property, and shall have all the obligations of the Agent as set forth herein; provided, that such mortgage or encumbrance shall not be made unless and until such mortgagee or person of entity holding any such encumbrance: (a) delivers to the Lessor: the proposed instrument by which such mortgage of encumbrance shall be made in a form reasonably acceptable to the Lessor, and the assignee's fully executed acknowledgement and assumption of all the Agent's obligations hereunder; and (b) receives Lessor's reasonable approval of such instrument and acknowledgement; provided, failure to transmit Lessor's approval or rejection of either within thirty (30) days of receipt by Lessor shall deemed approval thereof.

17. So long as any Leasehold Mortgage is in existence, unless Agent shall otherwise expressly consent in writing, the fee title to the Leasehold Property and the leasehold estate of Lessee therein created by the Ground Lease shall not merge but shall remain separate and

**GROUND LESSOR ESTOPPEL
CERTIFICATE AND CONSENT**


LESSOR


LESSEE


AGENT

distinct, notwithstanding the acquisition of said fee title and said Leasehold Property by Lessor, by Lessee or by a third party, by purchase or otherwise.

18. In the event of any proceeding by either Lessor or Lessee under the United States Bankruptcy Code (Title 11 U.S.C.) as now or hereafter in effect ("Bankruptcy Code"):

(a) Subject to the provisions of Paragraph No. 8 above, if the Ground Lease is rejected in connection with a bankruptcy proceeding by the Lessee or a trustee in bankruptcy for the Lessee, such rejection shall be deemed an assignment by Lessee to the Agent of the Leasehold Property and all of Lessee's interest under the Ground Lease, in the nature of an assignment in lieu of foreclosure, and the Ground Lease shall not terminate and the Agent shall have all the rights of the Agent under this Agreement as if such bankruptcy proceeding had not occurred unless Agent shall reject such deemed assignment by notice in writing to Lessor within thirty (30) days following rejection of the Ground Lease by Lessee or Lessee's trustee in bankruptcy. If any court of competent jurisdiction shall determine that the Ground Lease shall have been terminated notwithstanding the terms of the preceding sentence as a result of rejection by Lessee or the trustee in connection with any such proceeding, the rights of Agent to a new Ground Lease hereof shall not be affected thereby.

(b) If the Ground Lease is rejected by Lessor or by Lessor's trustee in bankruptcy:

(i) Lessee shall not have the right to treat the Ground Lease as terminated except with the prior written consent of Agent; and the right to treat the Ground Lease as terminated in such event shall be deemed assigned to Agent, whether or not specifically set forth in any such Leasehold Mortgage, so that the concurrence in writing of Lessee and Agent shall be required as a condition to treating the Ground Lease as terminated in connection with such proceeding.

(ii) If the Ground Lease is not treated as terminated in accordance with the above, then the Ground Lease shall continue in effect upon all of the terms and conditions set forth herein, including rent and all options to renew, but excluding requirements that are not then applicable to the remainder of the term hereof. Thereafter, Lessee or its successors shall be entitled to any offsets against rent and additional rent payable hereunder for any damages arising from such rejection and any such offset properly made shall not be deemed a default under the Ground Lease. The lien of any Leasehold Mortgage then in effect shall

**GROUND LESSOR ESTOPPEL
CERTIFICATE AND CONSENT**


LESSOR


LESSEE


AGENT

extend to the continuing possessor rights of Lessee following such rejection with the same priority with respect to each such Leasehold Mortgage as it would have enjoyed had such rejection not taken place.

19. All notices required by this GROUND LESSOR ESTOPPEL CERTIFICATE AND CONSENT shall be in writing at the addresses of the parties appearing in the signature blocks below and shall be deemed received three (3) working days after deposited in the United States mail to such addresses or any subsequent address of which a party provides written notice to the other party.

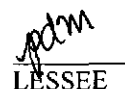
20. The statements, promises and agreements herein made shall be binding upon Lessor and Agent and their successors and assigns, and shall insure to the benefit of Lessor and Agent and their successors and assigns.

21. This agreement shall be governed by and construed in accordance with the laws of the State of Washington. Venue for any action related hereto shall be exclusively in Skagit County Superior Court. The prevailing party in any suit, including appeals, shall receive an award of its costs, including attorneys' fees. Agent and Lessor represent and warrant to each other that their respective undersigned agents have full power and authority to execute this agreement on each party's behalf. Neither party shall be deemed to have waived any rights hereunder unless such waiver is in writing and signed by such party. No delay or omission on the part of a party in exercising any right shall operate as a waiver of such right or any other right. A waiver by a party of a provision of this agreement shall not constitute a waiver of or prejudice that party's right otherwise to demand strict compliance with that provision or any other provision. This agreement may be executed in one or more counterparts, all of which together shall constitute one and the same original.

[Balance of page intentionally left blank; signatures on following pages]

**GROUND LESSOR ESTOPPEL
CERTIFICATE AND CONSENT**


LESSOR


LESSEE


AGENT

LESSOR AND AGENT EACH ACKNOWLEDGE HAVING READ ALL THE PROVISIONS OF THIS AGREEMENT, AND EACH CONSENTS AND AGREES TO ITS TERMS.

IN WITNESS WHEREOF, this certificate has been duly executed and delivered as of the 25 day of September, 2015.

LESSOR:

PORT OF SKAGIT COUNTY

By: [Signature]
Patricia H. Botsford Martin
Executive Director
15400 Airport Drive
Burlington, Washington 98233

STATE OF WASHINGTON

COUNTY OF SKAGIT

On this 18 day of June, 2015, before me, the undersigned Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Patricia H. Botsford Martin to me known to be the Executive Director of the Port of Skagit County, a municipal corporation that executed the 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 she is duly authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Karmen M. Hardy
(signature)

Karmen M. Hardy
(printed name)

NOTARY PUBLIC in and for the State of
Washington, residing at: Anacortes
My appointment expires: 3/25/18

AGENT:

MONROE CAPITAL MANAGEMENT
ADVISORS, LLC

By: [Signature]
Its: Senior Associate

Address:

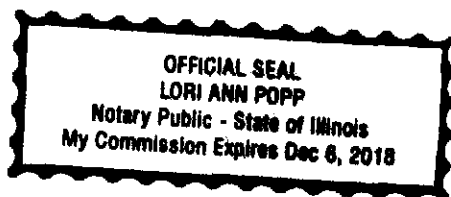
c/o Monroe Capital LLC
311 South Wacker Drive, Suite 6400
Chicago, Illinois 60606
Attention: Portfolio Manager (Data Physics)
Telephone: (312) 258-8300
Facsimile: (312) 258-8350

STATE OF Illinois

COUNTY OF Cook

On this 6th day of July, 2015, before me, the undersigned Notary Public in and for the State of Illinois, duly commissioned and sworn, personally appeared Paul G. Giacchino to me known to be an authorized representative of MONROE CAPITAL MANAGEMENT ADVISORS, LLC who executed the foregoing instrument, and acknowledged the said instrument to be his/her free and voluntary act, for the uses and purposes therein mentioned, and on oath stated that he/she is duly authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.



[Signature]
(signature)

Lori Ann Popp
(printed name)

NOTARY PUBLIC in and for the State of
Illinois, residing at: 7064 170th St. - Tinley Park, IL
My appointment expires: Dec. 06, 2018

60477

LESSEE HEREBY ACKNOWLEDGES AND AGREES TO THE FOREGOING.

LESSEE:

TEAM CORPORATION, a Washington
corporation

By: *[Signature]*

Its: *Corporate Secretary*

11591 Water Tank Road
Burlington, WA 98233

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA }
COUNTY OF Monterey } S.S.

On June 2, 2015 before me, LISA ANN CHISMAN,
NOTARY
(here insert name and title of the officer), personally appeared PATRICIA D MONAHAN

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is are subscribed to the within instrument and acknowledged to me that he she they executed the same in his her their authorized capacity(ies), and that by his her their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Washington that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Lisa Ann Chisman
Signature



EXHIBIT A

Legal Description

Lot 25, "AMENDED SKAGIT REGIONAL AIRPORT BINDING SITE PLAN, PHASE I" as per Plat recorded on March 4, 2003 under Auditor's File No. 200303040030, records of Skagit County, Washington.

Situate in the County of Skagit, State of Washington