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IF YOU CANNOT DETERMINE THE APPROPRIATE CATEGORY, PLEASE DESCRIBE THE CAUSE OF ACTION BELOW

Please Note: Public information in court files and pleadings may be posted on a public Web site.

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SEP 1 7 2021 ALISON H. SONNTAG KITSAP COUNTY CLERK

## IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

MADISON AVENUE REAL ESTATE, LLC, a Washington Limited Liability Company,

No. 21.2.01397.18

Plaintiff.

**SUMMONS (20 DAYS)** 

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SALVATORE DEROSALIA, an unmarried individual, and BAINBRIDGE STRENGTH. INC., a Washington Corporation,

Defendants.

THE STATE OF WASHINGTON TO: SALVATORE DEROSALIA, an unmarried individual, and BAINBRIDGE STRENGTH, INC., a Washington Corporation.

A lawsuit has been started against you in the above-entitled court by MADISON AVENUE REAL ESTATE, LLC, Plaintiff. Plaintiff's claims are stated in the written complaint. a copy of which is served upon you with this summons.

To defend against this lawsuit, you must respond to the complaint by stating your defense in writing, and by serving a copy upon the person signing this summons within twenty (20) days after the service of this summons, excluding the day of service, or a default judgment may be entered against you without notice. A default judgment is one where plaintiff is entitled to what the plaintiff asks for because you have not responded. If you serve a notice of appearance on the undersigned person, you are entitled to notice before a default judgment may be entered.

> ROBER SMCMP P.O. BO

21-2-01397-18  $10801\,N$  Summons and Complaint

You may demand that the plaintiff file this lawsuit with the court. If you do so, the demand must be in writing and must be served upon the person signing this summons. Within fourteen (14) days after you serve the demand, the plaintiff must file this lawsuit with the court, or the service on you of this summons and complaint will be void.

If you wish to seek the advice of an attorney in this matter, you should do so promptly so that your written response, if any, may be served on time.

This summons is issued pursuant to Rule 4 of the Superior Court Civil Rules of the State of Washington.

DATED this A day of September, 2021.

David A. Roberts, WSBA #24247 Jessica M. Jetter WSBA #54021 ROBERTS & BRYAN, P.L.L.C. Attorneys for Plaintiff

SEP 1 7 2021

ALISON H. SONNTAG
KITSAP COUNTY CLERK

# IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

MADISON AVENUE REAL ESTATE, LLC, a Washington Limited Liability Company,

No. 21.2.01397-18

Plaintiff,

1 Idilitii

COMPLAINT FOR BREACH OF CONTRACT

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SALVATORE DEROSALIA, an unmarried individual, and BAINBRIDGE STRENGTH, INC., a Washington Corporation,

Defendants.

COMES NOW the Plaintiff, by and through its attorneys of record, Roberts & Bryan, P.L.L.C., for a cause of action against Defendants, and states and alleges as follows:

## I. PARTIES, JURISDICTION, AND VENUE

- 1.1 <u>Plaintiff.</u> Plaintiff MADISON AVENUE REAL ESTATE, LLC ("MARE") is now and at all times material hereto has been a Washington Limited Liability Company with its principal place of business located in Kitsap County, Washington.
- 1.2 <u>Defendant SALVATORE DEROSALIA</u>. Upon information and belief Defendant SALVATORE DEROSALIA is now and at all times material hereto has been a resident of Kitsap County, Washington.

10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346

(360) 297-4542 (360) 297-5298 FAX

ROBERTS & BRYAN, P.L.L.C.

1.3 <u>Defendant BAINBRIDGE STRENGTH, INC.</u> Defendant BAINBRIDGE STRENGTH, INC. ("Bainbridge Strength") is a Washington Corporation with its principal place of business located in Kitsap County, Washington. BAINBRIDGE STRENGTH, INC., was administratively dissolved on April 3, 2021, by the Washington Secretary of State.

1.4 <u>Jurisdiction and Venue</u>. Jurisdiction and venue are proper in this Court as all actions and omissions occurred in Kitsap County, Washington, and all parties are residents of Kitsap County, Washington.

## II. <u>FACTUAL SUMMARY</u>

- 2.1 On December 19, 2019, Bainbridge Strength and MARE entered into a Lease Agreement concerning Bainbridge Strength's tenancy of 4,217 net square feet of commercial real estate owned by MARE, at the location commonly known as Suite 200, 403 Madison Avenue North, Bainbridge Island, Washington 98110.
- 2.2 The lease commencement date under the Lease Agreement was January 1, 2020. The lease termination date was December 31, 2024.
- 2.3 Bainbridge Strength agreed to pay monthly rent to MARE for a period of five years, which included a base rent amount plus monthly triple net ("NNN") minus a monthly credit for prepaid rent. The agreed base rental amount was as follows: \$5,977.70 per month for year one (starting 1/1/2020); \$6,067.37 per month for year two; \$6,158.38 per month for year three; \$6,250.76 for year four; and \$6,344.52 per month for year five. The estimated NNN for this five-year period based on Bainbridge Strength's 9.12% pro rata share of operating expenses per the Lease Agreement and the 2020 common area maintenance rate of \$10.60/sf/yr. is \$3,725.02 per month for years one through five. MARE agreed to offer a credit of \$92.80 per month for the first 60 months of the lease as a pro rata application of Bainbridge Strength's prepaid rent.
- 2.4 A late fee of 15% per annum, or the highest rate of interest allowable by law (currently 12%), was due on all delinquent sums.

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- 2.5 Defendant's non-payment of rent constitutes default under the Lease Agreement, which entitles MARE to accelerate the balance of the rent due for the remainder of the lease term, making said rent due and payable immediately.
- 2.6 In the Lease Agreement, Mr. DeRosalia agreed to a personal guaranty, pursuant to which he agreed to be liable to MARE for the obligations of Bainbridge Strength, and guaranteed the performance of Bainbridge Strength' obligations to MARE under the Lease Agreement.
- 2.7 Defendants paid \$25,000.00 to MARE in January 2020 as "Prepaid Rent" per the terms of the Lease Agreement. Defendants made no other payments. The \$25,000.00 "Prepaid Rent" included payment of \$19,432.00 in cash and a \$5,568.00 credit to the tenant for prepaying the rent. The Prepaid Rent covered full rent for January and February 2020 and partial rent for March 2020.
- 2.8 Defendants vacated and abandoned the leased premises in March of 2020, by closing their business, removing all furniture and equipment, including equipment owned by MARE, and never returned. By April 1, 2020, it was clear that Defendants had abandoned the premises when they failed to complete payment of March rent and did not pay April rent.
- 2.9 After diligent advertising and searching, MARE secured a tenant to lease a portion of the abandoned leased premises from October 2021 through May 2023 at the rate of \$1,000.00 per month, for a total of \$20,000.00. MARE anticipates that no other replacement tenants will be found for the subject lease term ending on December 31, 2024.

## III. FIRST CAUSE OF ACTION: BREACH OF CONTRACT

- 3.1 MARE realleges the allegations set forth in 1.1 through 2.9 and incorporates the same by reference as if fully set forth herein.
- 3.2 Both MARE and Bainbridge Strength entered into the Lease Agreement, but only MARE performed its obligations thereunder in all respects.
- 3.3 Bainbridge Strength failed to perform its obligations under the Lease Agreement by abandoning the leased premises and by failing to make monthly payments required

thereunder.

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3.4 Defendants' breaches with regard to the Lease Agreement have damaged MARE in the amount of \$641,785.18, which represents the accelerated balance due through the subject lease term, minus credit for pre-paid rent, and minus re-letting proceeds, plus 12% interest per annum from April 1, 2020, to the date of this complaint, together with attorney fees and costs as provided by the Lease Agreement.

## IV. SECOND CAUSE OF ACTION: BREACH OF GUARANTY

- 4.1 MARE realleges the allegations set forth in 1.1 through 3.4 and incorporates the same by reference as if fully set forth herein.
- 4.2 Mr. DeRosalia personally guaranteed all of Bainbridge Strength's obligations to MARE under the Lease Agreement.
- 4.3 Mr. DeRosalia is jointly and severally liable to MARE to satisfy Bainbridge Strength's obligations to MARE under the Lease Agreement.
- 4.4 Mr. DeRosalia has breached his obligations under the Lease Agreement to satisfy Bainbridge Strength's obligations to MARE, and the breach has damaged MARE in the amount of \$641,785.18, which represents the accelerated balance due through the subject lease term, minus credit for pre-paid rent, and minus re-letting proceeds, plus 12% interest per annum from April 1, 2021, to the date of this complaint, together with attorney fees and costs.

## V. THIRD CAUSE OF ACTION: DECLARATORY JUDGMENT

- 5.1 MARE realleges the allegations set forth in 1.1 through 5.3 and incorporates the same by reference as if fully set forth herein.
- 5.2 Defendants completely vacated the leased premises in March 2020 and never returned, and ceased paying rent in March 2020, and thereby effectively abandoned the lease and the premises as of April 1, 2020.

## VII. REQUESTED RELIEF

WHEREFORE, MARE respectfully requests the following relief:

ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-598 FAX

1	A. For damages in the principal amount of \$641,785.18 against all Defendants, jointly,									
2	and severally for the breaches of the Lease Agreement and for conversion of MARE's									
3	exercise equipment.									
4	B. For attorney fees against all Defendants, jointly, and severally, pursuant to the Lease									
5	Agreement;									
6	C. For statutory attorneys fees.									
7	D. For a declaratory judgment that Defendants abandoned the leased premises as of									
8	April 1, 2020.									
9	E. For such other and further relief as the court may deem just and equitable.									
10										
11	DATED this 14 day of Septem Dev, 2021.									
12										
13	David A. Roberts, WSBA #24247									
14	Jessica M. Jetter, WSBA #54021 ROBERTS & BRYAN, P.L.L.C.									
15	Attorneys for Plaintiff									
16	<u>VERIFICTION</u>									
17	STATE OF WASHINGTON )									
18	COUNTY OF KITSAP )									
19	JOHN A. EISENHAUER being first duly sworn on oath, states that as Managing									
20	Partner of Madison Avenue Real Estate, LLC ("MARE"), he is authorized to act on behalf of the plaintiff named in the foregoing Complaint; that he has read said complaint, knows the contents									
21	thereof and believes the same to be true and correct.									
22	I declare under penalty of perjury that the foregoing is true and correct.									
23	Signed at Bainbridge Island, Kitsap County, Washington, this day of									
24										
26	John A. Eisenhauer  JOHN A. EISENHAUER, Managing Partner, MARE									
	ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346									

KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

ROBERTS & BRYAN, P.L.L.C. 103801 NE SR 104 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

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Signed at Kingston, Kitsap County, Washington, this 14th day of September 2021.

ULIET QUNMIRE

ROBERTS & BRYAN, P.L.L.C.

ROBERTS & BRYAN, P.L.L.C. 103801 NE SR 104 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

SEP 1 7 2021
ALISON H. SONNTAG
KITSAP COUNTY CLERK

# IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

MADISON AVENUE REAL ESTATE, LLC, a Washington Limited Liability Company, Plaintiff,

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SALVATORE DEROSALIA, an unmarried individual, and BAINBRIDGE STRENGTH, INC., a Washington Corporation,

Defendants.

No. 21.2.01397.18

DECLARATION OF JOHN A. EISENHAUER

JOHN A. EISENHAUER declares, and states as follows:

- 1. I am the Managing Partner of Madison Avenue Real Estate, LLC ("MARE"). I am over the age of 18 and am competent to make this declaration, which I base on personal knowledge and a review of my files kept in the ordinary course of business.
- 2. On behalf of MARE, I signed the lease agreement between the Defendants and MARE dated December 19, 2019. Attached herein as Exhibit A is a true and correct copy of the lease agreement between MARE and Defendants.
- 3. I estimate the triple net ("NNN") costs for the subject leased premises to be \$3,725.02 per month for years one through five based on Bainbridge Strength's 9.12% pro rata share of operating expenses per the lease agreement and the 2020 common area maintenance rate of \$10.60/sf/yr.

DECLARATION OF JOHN EISENHAUER Page 1 of 3

ROBERTS & BP 21-2-01397-18 10801 NE SR 10 DCLR 3 Declaration Affidav (360) 297-4542 (360) 297-5298 F



DECLARATION OF JOHN EISENHAUER

Page 2 of 3

4. Defendants provided one payment to me in the amount of \$25,000.00 in January 2020 as "Prepaid Rent" per the terms of the Lease Agreement. The \$25,000.00 "Prepaid Rent" included payment of \$19,432.00 in cash and a \$5,568.00 credit to the tenant for prepaying the rent. The Prepaid Rent covered full rent for January and February 2020 and partial rent for March 2020. I have not received any other payments from Defendants on behalf of MARE.

- 5. In March 2020, Defendants moved out of the leased premises and closed their business. By April 1, 2020, it was clear that Defendants had abandoned the premises when they failed to complete payment of March rent and did not pay April rent and had closed their business and completely moved out of the premises.
- 6. On June 8, 2020, Defendant SALVADORE DEROSALIA sent an email to me confirming that BAINBRIDGE STRENGTH, INC. planned to cease operations effective June 30, 2020. A true and correct copy of this email is attached herein as Exhibit B.
- 7. From June 8, 2020, to present, I diligently advertised and searched for a replacement tenant for MARE for the leased premises. I was finally able to obtain a tenant to re-lease a portion of the leased premises from October 2021 through May 2023 at the rate of \$1,000.00 per month, for a total of \$20,000.00 during the remaining lease term. I do not believe that I will be able to locate any other replacement tenants for MARE for the leased premises through December 31, 2024.
- 8. Defendant's corporation, Bainbridge Strength, Inc., was administratively dissolved on April 3, 2021, by the Washington Secretary of State. A true and correct copy of the Administrative Dissolution letter, dated 04/03/2021, from the Washington Secretary of State is attached hereto as Exhibit C.

I declare under penalty of perjury that the foregoing is true and correct. Bainbridge Island Signed at 9/14/2021 Kitsap County, Washington, this date: DocuSigned by: John d. Eisenhauer John A. Eisenhauer, Managing Partner MADISON AVENUE REAL ESTATE, LLC 

DECLARATION OF JOHN EISENHAUER Page 3 of 3

ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

## LEASE AGREEMENT

(Multi-Tenant Triple Net, NNN)

THIS LEASE AGREEMENT (the "Lease") is entered into and effective as of this \_\_\_\_\_\_ day of \_\_\_\_\_\_ 2019 between Madison Avenue Real Estate, LLC ("Landlord"), and Bainbridge Strength Inc. dba Outcome Athletics, (Tenant). Landlord and Tenant agree as follows:

## LEASE SUMMARY.

- a. Leased Premises. The leased commercial real estate (the "Premises") consist of an agreed area of 4217 rentable square feet, which is outlined on the floor plan attached as Exhibit A, located on the land legally described on attached Exhibit B, and is commonly known as Suite 200, 403 Madison Ave N Bainbridge Island, WA 98110. The Retail Lease Summary is attached to this Lease and incorporated herein by reference. The complex in which the Lease Premises is located is referred to as The Pavillon and the leased premises are referred to as Suite \_\_\_ of the Pavillon. The Premises do not include, and Landlord reserves, the exterior walls and roof of the Premises, the land beneath the Premises, the pipes and ducts, conduits, wires, fixtures, and equipment above the suspended ceiling or structural elements of the building in which the Premises are located (the "Building"). The Building, the land upon which it is situated, all other improvements located on such land, and all common areas appurtenant to the Building are referred to as the "Property." The Building and all other buildings on the Property as of the date of this Lease consist of an agreed area of 46,237 rentable square feet.
- b. Lease Commencement Date. The term of this Lease shall commence on January 1 2020, or such earlier or later date as provided in Section 3 (the "Commencement Date").
- C. Lease Termination Date. The term of this Lease shall terminate at midnight December 31, 2024, or such earlier or later date as provided in Section 3 (the "Termination Date").
- d. Base Rent. The base monthly rent shall be according to the Rent Rider attached hereto. Rent shall be payable at Landlord's address shown in Section 1(h) below, or such other place designated in writing by Landlord.
- e. Prepaid Rent. Upon execution of this Lease, Tenant shall deliver to Landlord the sum of \$25,000 as prepaid rent, to be applied to the Rent due for the <u>First and last</u> month of the Lease, with the balance credited for each of the first sixty (60) months of the lease as per the attached Rent Rider.
- f. Security Deposit. Upon execution of this Lease, Tenant shall deliver to Landlord the sum of \$0 (Zero) to be held as a security deposit pursuant to Section 5 below. The security deposit shall be in the form of a check.
- g. Permitted Use. The Premises shall be used for Health and fitness related activities including training, and for the tenant's other historic lines of business, but for no other purpose without the prior written consent of Landlord, which shall not unreasonably be withheld. Smoking, vaping, and alcohol use are prohibited.
- h. Notice and Payment Addresses:

Landlord:

Madison Avenue Real Estate, LLC 403 Madison Avenue North, Suite 250, Bainbridge Island, WA, 98110

2019 Outcome Athletics Lease Agreement FINAL[Confidential]



Page | 1 of 20



Email: JohnE@komblcorp.com

Phone Number: 206-780-6103

Tenant:

Bainbridge Strength Inc. dba Outcome Athletics, 403 Madison Avenue North, Suite , Bainbridge Island, WA, 98110

Email: saiderosalia@gmail.com

Phone Number: 206-747-4559

I. Tenant's Pro Rata Share. Landlord and Tenant agree that Tenant's Pro Rata Share is 9.12%, based on the <u>ratio</u> of the agreed rentable area of the Premises to the agreed rentable area of the Building and all other buildings on the Property as of the date of this Lease. Any adjustment to the Premises' or Building's rentable floor area measurements will be reflected in an adjustment to Tenant's Base Rent and Pro Rata Share.

#### 2. PREMISES.

- a. Lease of Premises. Landlord leases to Tenant, and Tenant leases from Landlord the Premises upon the terms specified in this Lease.
- b. Acceptance of Premises. Except as specified elsewhere In this Lease, Landford makes no representations or warranties to Tenant regarding the Premises, including the structural condition of the Premises and the condition of all mechanical, electrical, and other systems on the Premises. Except for any tenant improvements to be completed by Landford described on attached Exhibit C (defined therein as "Landford's Work"), Tenant shall be responsible for performing any work necessary to bring the Premises into condition satisfactory to Tenant. By signing this Lease, Tenant acknowledges that it has had adequate opportunity to investigate the Premises, acknowledges responsibility for making any corrections, alterations and repairs to the Premises (other than the Landford's Work), and acknowledges that the time needed to complete any such items shall not delay the Commencement Date.
- Tenant Improvements. Attached Exhibit C sets forth all Landford's Work, if any, and C. all tenant improvements to be completed by Tenant ("Tenant's Work"), which is to be performed on the Premises. Responsibilities for design, payment and performance of all such work shall be as set forth on attached Exhibit C. If Tenant fails to notify Landlord of any defects in the Landlord's Work within thirty (30) days of delivery of possession to Tenant, Tenant shall be deemed to have accepted the Premises in their then condition. If Tenant discovers any major defects in the Landlord's Work during this 30-day period that would prevent Tenant from using the Premises for its intended purpose, Tenant shall so notify Landlord in writing and the Commencement Date shall be delayed until after Landlord has corrected the major defects and Tenant has had five (5) days to inspect and approve the Premises after Landford's correction of such defects. The Commencement Date shall not be delayed if Tenant's inspection reveals minor defects in the Landlord's Work that will not prevent Tenant from using the Premises for their intended purpose. Tenant shall prepare a punch list of all minor defects in Landlord's Work and provide the punch list to Landlord. Landlord shall promptly correct all such punch list items.
- 3. TERM. Subject to the terms of Paragraph 6 of the Addendum/Amendment to this Leases incorporated herein, which shall control delays in delivery of possession in certain specified circumstances, and which shall prevail over this Section 3 in the circumstances specified in Paragraph 6 of the Addendum, the term of this Lease shall commence on the date specified in Section 1(b), or on such earlier or later date as may be specified by written notice delivered by Landlord to Tenant advising Tenant that the Premises are ready for possession and specifying the Commencement Date, which shall not be less than \_\_\_\_\_ days (30 if not filled in) following the date of such notice. If Tenant occupies the Premises before



the Commencement Date specified in Section 1(b), then such date of occupancy shall be the Commencement Date. If Landlord acts diligently to make the Premises available to Tenant, neither Landlord nor any agent or employee of Landlord shall be liable for any damage or loss due to Landlord's Inability or failure to deliver possession of the Premises to Tenant as provided in this Lease. The Termination Date shall be modified upon any change in the Commencement Date so that the length of the Lease term is not changed. If Landlord does not deliver possession of the Premises to Tenant within \_\_\_ days (60 if not filled in) after the date specified in Section 1(b), Tenant may elect to cancel this Lease by giving written notice to Landlord within 10 days after such time period ends. If Tenant gives such notice, the Lease shall be cancelled, all prepaid rent and security deposits shall be refunded to Tenant, and neither Landlord nor Tenant shall have any further obligations to the other. The first "Lease Year" shall commence on the Commencement Date and shall end on the date which is twelve (12) months from the end of the month in which the Commencement Date occurs. Each successive Lease Year during the initial term and any extension terms shall be twelve (12) months, commencing on the first day following the end of the preceding Lease Year, except that the last Lease Year shall end on the Termination Date. To the extent Tenant's tenant improvements are not completed in time for the Tenant to occupy or take possession of the Premises on the Commencement Date due to the failure of Tenant to fulfill any of its obligations under this Lease, the Lease shall nevertheless commence on the Commencement Date. The term of this Lease shall expire on the date specified in Section

#### 4. RENT.

- Payment of Rent. Tenant shall pay Landlord without notice, demand, deduction or offset, in lawful money of the United States, the monthly rental stated in Section 1(d) in advance on or before the first day of each month, with 5-days grace, during the Lease term beginning on <u>January 1, 2020</u>, and any other additional payments due to Landlord, including Operating Costs (collectively the "Rent") when required under this Lease. Payments for any partial month at the beginning or end of the Lease term shall be prorated. All payments due to Landlord under this Lease, including late fees and interest, shall be rent, and upon failure of Tenant to pay any such costs, charges or expenses, Landlord shall have the same rights and remedies as otherwise provided in this Lease for the failure of Tenant to pay rent.
- b. Late Charges; Default Interest. If any sums payable by Tenant to Landford under this Lease are not received within five (5) business days after their due date. Tenant shall pay Landford in addition to the amount due, for the cost of collecting and handling such late payment, an amount equal to the greater of \$100 or five percent (5%) of the delinquent amount. In addition, all delinquent sums payable by Tenant to Landford and not paid within five (5) business days after their due date shall, at Landford's option, bear interest at the rate of fifteen percent (15%) per annum, or the highest rate of interest allowable by law, whichever is less (the "Default Rate"). Interest on all delinquent amounts shall be calculated from the original due date to the date of payment.
- C. Less Than Full Payment. Landlord's acceptance of less than the full amount of any payment due from Tenant shall not be deemed an accord and satisfaction or compromise of such payment unless Landlord specifically consents in writing to payment of such lesser sum as an accord and satisfaction or compromise of the amount which Landlord claims.
- 5. SECURITY DEPOSIT. Upon execution of this Lease, Tenant shall deliver to Landlord the security deposit specified in Section 1(f) above. Landlord's obligations with respect to the security deposit are those of a debtor and not of a trustee, and Landlord may commingle the security deposit with its other funds. If Tenant breaches any covenant or condition of this Lease, including but not limited to the payment of Rent, Landlord may apply all or any part of



the security deposit to the payment of any sum in default and any damage suffered by Landlord as a result of Tenant's breach, it being expressly understood that the security deposit shall not be considered as a measure of Tenant's damages in case of default by Tenant. In such event, Tenant shall, within five (5) days after written demand therefore by Landlord, deposit with Landlord the amount so applied. Any payment to Landlord from the security deposit shall not be construed as a payment of liquidated damages for any default. If Tenant complies with all of the covenants and conditions of this Lease throughout the Lease term, the security deposit shall be repaid to Tenant without interest within 30 days after the surrender of the Premises by Tenant in the condition required hereunder.

- 6. USES. The Premises shall be used only for the use(s) specified in Section 1(g) above (the "Permitted Use"), and for no other business or purpose without the prior written consent of Landlord. No act shall be done on or around the Premises that is unlawful or that will increase the existing rate of insurance on the Premises or the Building or cause the cancellation of any insurance on the Premises or the Building. Tenant shall not commit or allow to be committed any waste upon the Premises, or any public or private nuisance. Tenant shall not do or permit anything to be done in the Premises or on the Property which will obstruct or interfere with the rights of other tenants or occupants of the Property, or their customers, clients and visitors, or to injure or annoy such persons.
- 7. COMPLIANCE WITH LAWS. Tenant shall not cause or permit the Premises to be used in any way which violates any law, ordinance, or governmental regulation or order. Landlord represents to Tenant that, to Landlord's knowledge, without duty of investigation, and with the exception of any Tenant's Work, as of the Commencement Date, the Premises comply with all applicable laws, rules, regulations, or orders, including without limitation, the Americans With Disabilities Act, if applicable, and Landlord shall be responsible to promptly cure at its sole cost any noncompliance which existed on the Commencement Date. Tenant shall be responsible for complying with all laws applicable to the Premises as a result of Tenant's particular use thereof, such as modifications required by the Americans With Disabilities Act as a result of Tenant opening the Premises to the public as a place of public accommodation. If the enactment or enforcement of any law, ordinance, regulation or code during the Lease term requires any changes to the Premises during the Lease term, the Tenant shall perform all such changes at its expense if the changes are required due to the nature of Tenant's activities at the Premises, or due to alterations that Tenant seeks to make to the Premises; otherwise, Landlord shall perform all such changes at its expense.

#### 8. OPERATING COSTS.

Definition. As used herein, "Operating Costs" shall mean all costs of operating, maintaining and repairing the Premises, the Building, and the Property, determined in accordance with generally accepted accounting principles, and including without limitation the following: all taxes and assessments (including, but not limited to, real and personal property taxes and assessments, local improvement district assessments and other special purpose assessments, and taxes on rent or gross receipts); insurance premiums paid by Landlord and (to the extent used) deductibles for insurance applicable to the Property; water, sewer and all other utility charges (other than utilities including propane separately metered and paid directly by Tenant or other tenants); janitorial and all other cleaning services (other than those specifically for the Premises which are the responsibility of the Tenant); refuse and trash removal; supplies, materials, tools, and equipment used in the operation, repair, and maintenance of the Property; refurbishing and repainting; carpet replacement; to the extent serving areas other than the Premises, heating, ventilation and air conditioning ("HVAC") service, repair and replacement when necessary; elevator service, repair and replacement when necessary; pest control; lighting systems, fire detection and security services; landscape maintenance; management (fees and/or personnel costs); parking lot, road, sidewalk and driveway patching, resurfacing and maintenance; snow and ice removal;

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amortization of capital improvements as Landlord may in the future Install to comply with governmental regulations and rules or undertaken in good faith with a reasonable expectation of reducing operating costs (the useful life of which shall be a reasonable period of time as determined by Landlord); and costs of legal services (except those incurred directly relating to a particular occupant of the Building); accounting services, labor, supplies, materials and tools. Operating Costs shall not include: Landlord's income tax or general corporate overhead, depreciation on the Building or equipment therein; loan payments; real estate broker's commissions; capital improvements to or major repairs of the Building shell (<u>i.e.</u>, the Building structure, exterior walls and roof), except as described above; or any costs regarding the operation, maintenance, janitorial, cleaning, and repair of the Premises and its own HVAC systems (which are the responsibility of the Tenant), the Building, or the Property pald directly by Tenant or other tenants in the Building, or otherwise reimbursed to Landlord.

- b. Type of Payment. This lease is a pure triple net lease which means that as additional Rent, Tenant shall pay to Landlord on the first of each month with payment of Tenant's base Rent one-twelfth of Tenant's Pro Rata Share of Operating Costs.
- **C.** Method of Payment. Tenant shall pay to Landlord Operating Costs as provided above pursuant to the following procedure:
- (i) Landlord shall provide to Tenant, at or before the Commencement Date, a good faith estimate of annual Operating Costs for the calendar year in which the Commencement Date occurs. Landlord shall also provide to Tenant, as soon as possible following the first day of each succeeding calendar year, a good faith estimate of Tenant's annual Pro Rata Share of Operating Costs for the then-current year;
- (ii) Each estimate of Tenant's annual Pro Rata Share of Operating Costs determined by Landlord as described above, shall be divided into twelve (12) equal monthly installments. If Tenant pays Operating Costs under Option One, Tenant shall pay to Landlord such monthly installment of Operating Costs with each monthly payment of base Rent. If Tenant pays Operating Costs under Option Two, Tenant shall pay to Landlord with each monthly payment of base Rent the amount, if any, by which such monthly installments of Operating Costs exceed one twelfth of Tenant's annualized Pro Rate Share of Operating Costs for the Base Year. In the event the estimated amount of Tenant's Pro Rata Share of Operating Costs has not yet been determined for any calendar year, Tenant shall pay the monthly installment in the estimated amount determined for the preceding calendar year until the estimate for the current calendar year has been provided to Tenant. At such time as the estimate for the current calendar year is received, Tenant shall then pay any shortfall or receive a credit for any surplus for the preceding months of the current calendar year and shall, thereafter, make the monthly installment payments in accordance with the current estimate; and
- (iii) As soon as reasonably possible following the end of each calendar year of the Lease term, Landlord shall determine and provide to Tenant a statement (the "Operating Costs Statement") setting forth the amount of Operating Costs actually incurred and the amount of Tenant's Pro Rata Share of Operating Costs actually payable by Tenant with respect to such calendar year. In the event the amount of Tenant's Pro Rata Share of Operating Costs exceeds the sum of the monthly installments actually paid by Tenant for such calendar year, Tenant shall pay to Landlord the difference within thirty (30) days following receipt of the Operating Costs Statement. In the event the sum of the monthly installments actually paid by Tenant for such calendar year exceeds the amount of Tenant's Pro Rata Share of Operating Costs actually due and owing, the difference shall be applied as a credit to Tenant's future Pro Rata Share of Operating Costs payable by Tenant pursuant to this Section, or if the term has expired, within thirty (30) days after delivery of such Operating Costs Statement.

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- Should Tenant dispute any amount shown on the Operating Costs Statement, Tenant (iv)may audit Landlord's books and records for the calendar year covered by such Operating Costs Statement upon written notice to Landlord given within ninety (90) days after Tenant's receipt of such Operating Costs Statement. Should Tenant fall to provide notice of dispute within such ninety (90) day period, the Operating Costs Statement shall be final and conclusive. Any audit conducted by Tenant shall be completed within sixty (60) days after Tenant's request therefor. In the event the amount of Tenant's Pro Rata Share of Operating Costs exceeds the sum of the monthly installments actually paid by Tenant for such calendar year, Tenant shall pay to Landlord the difference within thirty (30) days following completion of the audit. In the event the sum of the monthly installments actually paid by Tenant for such calendar year exceeds the amount of Tenant's Pro Rata Share of Operating Costs actually due and owing, the difference shall be applied as a credit to Tenant's future Pro Rata Share of Operating Costs payable by Tenant pursuant to this Section, or if the term has expired, within thirty (30) days after completion of the audit. Landlord and Tenant shall cooperate as may be reasonably necessary in order to facilitate the timely completion of any audit. Nothing in this section shall in any manner modify Tenant's obligations to make payments as and when provided under this Lease.
- 9. UTILITIES AND SERVICES. Landlord shall provide the Premises the following services, the cost of which shall be included in the Operating Costs, to the extent not separately metered to the Premises: water and electricity for the Premises seven (7) days per week, twenty-four (24) hours per day, and HVAC at minimum from 6 a.m. to 11 p.m. Monday through Friday, and 6 a.m. to 11 p.m. on Saturday and 6 a.m. to 11 p.m. on Sunday, and shall provide janitorial service to the common areas of the Building (not the Premises) at least three (3) nights each week, exclusive of holidays. Landlord shall not be liable for any loss, injury or damage to person or property caused by or resulting from any variation, interruption, or failure of utilities due to any cause whatsoever, and rent shall not abate as a result thereof.

Tenant shall furnish all other utilities (Including, but not limited to, telephone and cable service if available) and other services which Tenant requires with respect to the Premises, except those to be provided by Landlord as described above, and shall pay, at Tenant's sole expense, the cost of all utilities separately metered to the Premises, and of all other utilities and other services which Tenant requires with respect to the Premises, except those to be provided by Landlord and included in Operating Expenses as described above. Notwithstanding the foregoing, if Tenant's use of the Premises incurs utility service charges which are above ordinary usage, Landlord reserves the right to require Tenant to pay a reasonable additional charge for such usage. For example, where Tenant installs and uses a number of electronic devices which is greater than normal, the increased usage may result in higher electrical charges and increased charges for cooling since overheating of rooms may result. Landlord shall not be liable for any loss, injury or damage to person or property caused by or resulting from any variation, interruption, or failure of utilities due to any cause whatsoever, and rent shall not abate as a result thereof, except to the extent due to the intentional misconduct or gross negligence of Landlord.

10. TAXES. Tenant shall pay all taxes, assessments, liens and license fees levied, assessed or imposed by any authority having the direct or indirect power to tax or assess any such liens, by reason of Tenant's use of the Premises, and on Tenant's personal property located on the Premises. Landlord shall pay all taxes and assessments with respect to the Property, including any taxes resulting from a reassessment of the Building or the Property due to a change of ownership or otherwise, all of which shall be included in Operating Costs and subject to partial reimbursement by Tenant as set forth in Section 8.

#### 11. COMMON AREAS.

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- Definition. The term "Common Areas" means all areas, facilities and building systems a. that are provided and designated from time to time by Landlord for the general non-exclusive use and convenience of Tenant with other tenants and which are not leased or held for the exclusive use of a particular tenant. To the extent that such areas and facilities exist within the Property, Common Areas include hallways, entryways, stairs, elevators, driveways, walkways, terraces, docks, loading areas, restrooms, trash facilities, parking areas and garages, roadways, pedestrian sidewalks, landscaped areas, security areas, lobby or mall areas, common heating, ventilating and air conditioning systems, common electrical service. equipment and facilities, and common mechanical systems, equipment and facilities. Tenant shall comply with reasonable rules and regulations concerning the use of the Common Areas adopted by Landlord from time to time. Without advance notice to Tenant and without any liability to Tenant, Landlord may change the size, use, or nature of any Common Areas, erect improvements on the Common Areas or convert any portion of the Common Areas to the exclusive use of Landlord or selected tenants, so long as Tenant is not thereby deprived of the substantial benefit of the Premises. Landlord reserves the use of exterior walls and the roof, and the rights to install, maintain, use, repair and replace pipes, ducts, conduits, and wires leading through the Premises in areas which will not materially interfere with Tenant's use thereof.
- b. Use of the Common Areas. Tenant shall have the non-exclusive right, in common with such other tenants to whom Landlord has granted or may grant such rights, to use the Common Areas. Tenant shall abide by rules and regulations adopted by Landlord from time to time and shall use its best efforts to cause its employees, contractors, and invitees to comply with those rules and regulations, and not interfere with the use of Common Areas by others.
- C. Maintenance of Common Areas. Landlord shall maintain the Common Areas in good order, condition and repair. This maintenance cost shall be an Operating Cost chargeable to Tenant pursuant to Section 8. In performing such maintenance, Landlord shall use reasonable efforts to minimize interference with Tenant's use and enjoyment of the Premises.
- 12. ALTERATIONS. Tenant may make alterations, additions or improvements to the Premises, including any Tenant's Work identified on attached Exhibit C ("Alterations"), with the prior written consent of Landlord, which, with respect to Alterations not affecting the structural components of the Premises or utility systems therein, shall not be unreasonably withheld, conditioned, or delayed. Landlord shall have thirty (30) days in which to respond to Tenant's request for any Alterations so long as such request includes the name(s) of Tenant's contractors and reasonably detailed plans and specifications therefor. The term "Alterations" shall not include the installation of shelves, movable partitions, Tenant's equipment, and trade fixtures that may be performed without damaging existing improvements or the structural integrity of the Premises, and Landlord's consent shall not be required for Tenant's installation or removal of those items. Tenant shall perform all work within the Premises at Tenant's expense in compliance with all applicable laws and shall complete all Alterations in accordance with plans and specifications approved by Landlord, using contractors approved by Landlord, and in a manner so as to not unreasonably interfere with other tenants. Tenant shall pay, when due, all claims for labor or materials furnished to or for Tenant at or for use in the Premises, which claims are or may be secured by any mechanics' or materialmens' liens against the Premises or any interest therein. Landlord shall be deemed the owner of all Alterations except for those which Landlord requires to be removed at the end of the Lease term. Tenant shall remove all Alterations at the end of the Lease term unless Landlord conditioned its consent upon Tenant leaving a specified Alteration at the Premises, in which case Tenant shall not remove such Alteration. Tenant shall immediately repair any damage to the Premises caused by removal of Alterations.



- 13. REPAIRS AND MAINTENANCE; SURRENDER. Tenant shall, at its sole expense, maintain the Premises and its exercise equipment in good condition and promptly make all non-structural repairs and replacements necessary to keep the Premises safe and in good condition, including all HVAC components and other utilities and systems to the extent exclusively serving the Premises. Landlord shall maintain and repair the Building structure, foundation, subfloor, exterior walls, roof structure and surface, and HVAC components and other utilities and systems serving more than just the Premises, and the Common Areas, the costs of which shall be included as an Operating Cost. Tenant shall not damage any demising wall or disturb the structural integrity of the Premises and shall promptly repair any damage or injury done to any such demising walls or structural elements caused by Tenant or its employees, agents, contractors, or invitees. Notwithstanding anything in this Section to the contrary. Tenant shall not be responsible for any repairs to the Premises made necessary by the negligence or willful misconduct of Landlord or its agents, employees, contractors or invitees therein. If Tenant fails to perform Tenant's obligations under this Section 13, 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 together with interest thereon at the Default Rate shall be due and payable as additional rent to Landlord together with Tenant's next installment of Base Rent. Upon expiration of the Lease term, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises, together with all keys, to Landlord in as good condition as when received by Tenant from Landlord or as thereafter improved, reasonable wear and tear and insured casualty excepted.
- 14. ACCESS AND RIGHT OF ENTRY. After 24 hours' notice from Landlord (except in cases of emergency, when no notice shall be required), Tenant shall permit Landlord and its agents, employees and contractors to enter the Premises at all reasonable times to make repairs, inspections, alterations or improvements, provided that Landlord shall use reasonable efforts to minimize interference with Tenant's use and enjoyment of the Premises. This Section shall not impose any repair or other obligation upon Landlord not expressly stated elsewhere in this Lease. After reasonable notice to Tenant, Landlord shall have the right to enter the Premises for the purpose of showing the Premises to prospective purchasers or lenders at any time, and to prospective tenants within 180 days prior to the expiration or sooner termination of the Lease term.
- 15. SIGNAGE. Tenant shall obtain Landlord's written consent as to size, tocation, materials, method of attachment, and appearance, before installing any signs upon the Premises. Tenant shall install any approved signage at Tenant's sole expense and in compliance with all applicable laws. Tenant shall not damage or deface the Premises in installing or removing signage and shall repair any injury or damage to the Premises caused by such installation or removal.

#### 16. DESTRUCTION OR CONDEMNATION.

a. Damage and Repair. If the Premises or the portion of the Property necessary for Tenant's occupancy are partially damaged but not rendered untenantable, by fire or other insured casualty, then Landlord shall diligently restore the Premises and the portion of the Property necessary for Tenant's occupancy to the extent required below and this Lease shall not terminate; provided, however, Tenant may terminate the Lease if Landlord is unable to restore the Premises within six (6) months of the casualty event.

The Premises or the portion of the Property necessary for Tenant's occupancy shall not be deemed untenantable if less than twenty-five percent (25%) of each of those areas are damaged. Landlord shall have no obligation to restore the Premises if insurance proceeds are not available to pay the entire cost of such restoration. If insurance proceeds are



available to Landlord but are not sufficient to pay the entire cost of restoring the Premises, or if Landlord's lender shall not permit all or any part of the insurance proceeds to be applied toward restoration, then Landlord may elect to terminate this Lease and keep the insurance proceeds, by notifying Tenant within sixty (60) days of the date of such casualty.

If the Premises, the portion of the Property necessary for Tenant's occupancy, or 50% or more of the rentable area of the Property are entirely destroyed, or partially damaged and rendered untenantable, by fire or other casualty, Landlord may, at its option: (a) terminate this Lease as provided herein, or (b) restore the Premises and the portion of the Property necessary for Tenant's occupancy to their previous condition to the extent required below; provided, however, if such casualty event occurs during the last 6 months of the Lease term (after considering any option to extend the term timely exercised by Tenant) then either Tenant or Landlord may elect to terminate the Lease. If, within 60 days after receipt by Landlord from Tenant of written notice that Tenant deems the Premises or the portion of the Property necessary for Tenant's occupancy untenantable, Landlord fails to notify Tenant of its election to restore those areas, or if Landlord is unable to restore those areas within six (6) months of the date of the casualty event, then Tenant may elect to terminate the Lease upon twenty (20) days' written notice to Landlord unless Landlord, within such twenty (20) day period, notifies Tenant that it will in fact restore the Premises or actually completes such restoration work to the extent required below, as applicable.

If Landlord restores the Premises or the Property under this Section 15(a), Landlord shall proceed with reasonable diligence to complete the work, and the base monthly rent shall be abated in the same proportion as the unternantable portion of the Premises bears to the whole Premises, provided that there shall be a rent abatement only if the damage or destruction of the Premises or the Property did not result from, or was not contributed to directly or indirectly by the act, fault or neglect of Tenant, or Tenant's officers, contractors, licensees, subtenants, agents, servants, employees, guests, invitees or visitors. No damages, compensation or claim shall be payable by Landlord for inconvenience, loss of business or annoyance directly, incidentally or consequentially arising from any repair or restoration of any portion of the Premises or the Property. Landlord will not carry insurance of any kind for the protection of Tenant or any improvements paid for by Tenant or as provided in Exhibit C or on Tenant's furniture or on any fixtures, equipment, improvements or appurtenances of Tenant under this Lease, and Landlord's restoration obligations hereunder shall not include any obligation to repair any damage thereto or replace the same.

Condemnation. If the Premises, the portion of the Property necessary for Tenant's b. occupancy, or 50% or more of the rentable area of the Property are made untenantable by eminent domain, or conveyed under a threat of condemnation, this Lease shall terminate at the option of either Landlord or Tenant as of the earlier of the date title vests in the condemning authority or the condemning authority first has possession of the Premises or the portion of the Property and all Rents and other payments shall be paid to that date. In case of taking of a part of the Premises or the portion of the Property necessary for Tenant's occupancy that does not render those areas untenantable, then this Lease shall continue in full force and effect and the base monthly rent shall be equitably reduced based on the proportion by which the floor area of any structures is reduced, such reduction in Rent to be effective as of the earlier of the date the condemning authority first has possession of such portion or title vests in the condemning authority. The Premises or the portion of the Property necessary for Tenant's occupancy shall not be deemed untenantable if less than twenty-five percent (25%) of each of those areas are condemned. Landlord shall be entitled to the entire award from the condemning authority attributable to the value of the Premises or the Property and Tenant shall make no claim for the value of its leasehold. Tenant shall be permitted to make a separate claim against the condemning authority for moving expenses, provided that in no event shall Tenant's claim reduce Landford's award.

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#### 17. INSURANCE.

- a. Tenant's Liability Insurance. During the Lease term, Tenant shall pay for and maintain commercial general liability insurance with broad form property damage and contractual liability endorsements. This policy shall name Landlord, its property manager (Great Catch Management, Inc.), and other parties designated by Landlord as additional insureds using an endorsement form acceptable to Landlord, and shall insure Tenant's activities and those of Tenant's employees, officers, contractors, licensees, agents, servants, employees, guests, invitees or visitors with respect to the Premises against loss, damage or liability for personal injury or bodily injury (including death) or loss or damage to property with a combined single limit of not less than \$2,000,000, and a deductible of not more than \$10,000. Tenant's insurance will be primary and noncontributory with any liability insurance carried by Landlord. Landlord may also require Tenant to obtain and maintain business income coverage for at least six (6) months, business auto liability coverage, and, if applicable to Tenant's proposed use of the Premises, Ilquor liability insurance and/or warehouseman's coverage.
- b. Tenant's Property Insurance. During the Lease term, Tenant shall pay for and maintain special form causes of loss coverage property insurance (with coverage for earthquake if required by Landford's lender and, if the Premises are situated in a flood plain, flood damage) for all of Tenant's personal property, fixtures and equipment in the amount of their full replacement value, with a deductible of not more than \$10,000.
- C. Miscellaneous. Tenant's insurance required under this Section shall be with companies rated A-/VII or better in Best's Insurance Guide, and which are admitted in the State of Washington. No insurance policy shall be cancelled or reduced in coverage and each such policy shall provide that it is not subject to cancellation or a reduction in coverage except after thirty (30) days prior written notice to Landlord. Tenant shall deliver to Landlord upon commencement of the Lease and from time to time thereafter, copies of the insurance policies or evidence of insurance and copies of endorsements required by this Section. In no event shall the limits of such policies be considered as limiting the liability of Tenant under this Lease. If Tenant fails to acquire or maintain any insurance or provide any policy or evidence of insurance required by this Section, and such failure continues for three (3) days after written notice from Landlord, Landlord may, but shall not be required to, obtain such insurance for Landlord's benefit and Tenant shall reimburse Landlord for the costs of such insurance upon demand. Such amounts shall be additional rent payable by Tenant hereunder and in the event of non-payment thereof, Landlord shall have the same rights and remedies with respect to such non-payment as it has with respect to any other non-payment of rent hereunder.
- d. Landlord's Insurance. Landlord shall carry special form cause of loss coverage property insurance of the building shell and core in the amount of their full replacement value, and such other insurance of such types and amounts as Landlord, in its discretion, shall deem reasonably appropriate. The cost of any such insurance shall be included in the Operating Costs, and if such insurance is provided by a "blanket policy" insuring other parties and/or locations in addition to the Building, then only the portion of the premiums allocable to the Building and Property shall be included in the Operating Costs.
- e. Waiver of Subrogation. Landlord and Tenant hereby release each other and any other tenant, their agents or employees, from responsibility for, and waive their entire claim of recovery for any loss or damage arising from any cause covered by property Insurance required to be carried or otherwise carried by each of them. Each party shall provide notice to the property insurance carrier or carriers of this mutual waiver of subrogation and shall cause its respective property insurance carriers to waive all rights of subrogation against the

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other. This waiver shall not apply to the extent of the deductible amounts to any such property policies or to the extent of liabilities exceeding the limits of such policies.

#### 18. INDEMNIFICATION.

- a. Indemnification by Tenant. Tenant shall defend, indemnify, and hold Landlord harmless against all llabilities, damages, costs, and expenses, including attorneys' fees, for personal injury, bodily injury (including death) or property damage arising from any negligent or wrongful act or omission of Tenant or Tenant's officers, contractors, licensees, subtenants, agents, servants, employees, guests, invitees, or visitors on or around the Premises, or arising from any breach of this Lease by Tenant. Tenant shall use legal counsel reasonably acceptable to Landlord in defense of any action within Tenant's defense obligation.
- b. Indemnification by Landlord. Landlord shall defend, Indemnify and hold Tenant harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, for personal injury, bodily injury (including death) or property damage arising from any negligent or wrongful act or omission of Landlord or Landlord's officers, contractors, licensees, agents, servants, employees, guests, invitees, or visitors on or around the Premises, or arising from any breach of this Lease by Landlord. Landlord shall use legal counsel reasonably acceptable to Tenant in defense of any action within Landlord's defense obligation.
- C. Waiver of immunity. Landlord and Tenant each specifically and expressly waive any immunity that each may be granted under the Washington State Industrial Insurance Act, Title 51 RCW. Neither party's indemnity obligations under this Lease shall be limited by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under the Worker Compensation Acts, Disability Benefit Acts or other employee benefit acts.
- d. Exemption of Landlord from Liability. Except to the extent of claims arising out of Landlord's gross negligence or intentional misconduct, Landlord shall not be liable for injury to Tenant's business or assets or any loss of income therefrom or for damage to any property of Tenant or of its employees, invitees, customers, or any other person in or about the Premises.
- e. Survival. The provisions of this Section 18 shall survive expiration or termination of this Lease.
- 19. ASSIGNMENT AND SUBLETTING. Tenant shall not assign, sublet, mortgage, encumber or otherwise transfer any interest in this Lease (collectively referred to as a "Transfer") or any part of the Premises, without first obtaining Landlord's written consent which shall not be unreasonably withheld, conditioned, or delayed. No Transfer shall relieve Tenant of any liability under this Lease notwithstanding Landlord's consent to such Transfer. Consent to any Transfer shall not operate as a waiver of the necessity for Landlord's consent to any subsequent Transfer. In connection with each request for consent to a Transfer, Tenant shall pay \$1,250.

If Tenant is a partnership, limited liability company, corporation, or other entity, any transfer of this Lease by merger, consolidation, redemption or liquidation, or any change(s) in the ownership of, or power to vote, which singularly or collectively represents a majority of the beneficial interest in Tenant, shall constitute a Transfer under this Section.

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As a condition to Landlord's approval, if given, any potential assignee or sublessee otherwise approved by Landlord shall assume all obligations of Tenant under this Lease and shall be jointly and severally liable with Tenant and any guarantor, if required, for the payment of Rent and performance of all terms of this Lease. In connection with any Transfer, Tenant shall provide Landlord with copies of all assignments, subleases and assumption instruments.

- 20. LIENS. Tenant is not authorized to subject the Landlord's estate to any liens or claims of lien. Tenant shall keep the Premises free from any liens created by or through Tenant. Tenant shall indemnify and hold Landlord harmless from liability for any such liens including, without limitation, liens arising from any Alterations. If a lien is filed against the Premises by any person claiming by, through or under Tenant, Tenant shall, within ten (10) days after Landlord's demand, at Tenant's expense, either remove the lien or furnish to Landlord a bond in form and amount and issued by a surety satisfactory to Landlord, Indemnifying Landlord and the Premises against all liabilities, costs and expenses, including attorneys' fees, which Landlord could reasonably incur as a result of such lien(s).
- 21. DEFAULT. The following occurrences shall each be deemed an Event of Default by Tenant. Any notice periods granted herein shall be deemed to run concurrently with and not in addition to any default notice periods required by law.
- **a.** Failure To Pay. Tenant fails to pay any sum, including Rent, due under this Lease following five (5) days' written notice from Landlord of the failure to pay.
- b. Vacation/Abandonment. Tenant vacates the Premises (defined as an absence for at least 15 consecutive days without prior notice to Landlord), or Tenant abandons the Premises (defined as an absence of five (5) days or more while Tenant is in breach of some other term of this Lease). Tenant's vacation or abandonment of the Premises shall not be subject to any notice or right to cure.
- C. Insolvency. Tenant becomes insolvent, voluntarily or involuntarily bankrupt, or a receiver, assignee or other liquidating officer is appointed for Tenant's business, provided that in the event of any involuntary bankruptcy or other insolvency proceeding, the existence of such proceeding shall constitute an Event of Default only if such proceeding is not dismissed or vacated within 60 days after its institution or commencement.
- d. Levy or Execution. Tenant's interest in this Lease or the Premises, or any part thereof, is taken by execution or other process of law directed against Tenant or is taken upon or subjected to any attachment by any creditor of Tenant, if such attachment is not discharged within 15 days after being levied.
- Other Non-Monetary Defaults. Tenant breaches any agreement, term or covenant of this Lease other than one requiring the payment of money and not otherwise enumerated in this Section or elsewhere in this Lease, and the breach continues for a period of 30 days after notice by Landlord to Tenant of the breach.
- f. Fallure to Take Possession. Tenant fails to take possession of the Premises on the Commencement Date.

Landlord shall not be in default unless Landlord falls to perform obligations required of Landlord within a reasonable time, but in no event less than thirty (30) days after written notice by Tenant to Landlord. If Landlord fails to cure any such default within the allotted time, Tenant's sole remedy shall be to seek actual money damages (but not consequential or punitive damages) for loss arising from Landlord's failure to discharge its obligations under



this Lease. Nothing herein contained shall relieve Landlord from its duty to perform of any of its obligations to the standard prescribed in this Lease.

#### 22. REMEDIES.

Landlord shall have the following remedies upon an Event of Default. Landlord's rights and remedies under this Lease shall be cumulative, and none shall exclude any other right or remedy allowed by law.

- Termination of Lease. Landlord may terminate Tenant's interest under the Lease, but no act by Landlord other than written notice of termination from Landlord to Tenant shall terminate this Lease. The Lease shall terminate on the date specified in the notice of termination. Upon termination of this Lease, Tenant will remain liable to Landlord for damages in an amount equal to the rent and other sums that would have been owing by Tenant under this Lease for the balance of the Lease term, less the net proceeds, if any, of any reletting of the Premises by Landlord subsequent to the termination, after deducting all Landlord's Reletting Expenses (as defined below). Landlord shall be entitled to either collect damages from Tenant monthly on the days on which rent or other amounts would have been payable under the Lease, or alternatively, Landlord may accelerate Tenant's obligations under the Lease and recover from Tenant; (i) unpaid rent which had been earned at the time of termination; (ii) the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of rent loss that Tenant proves could reasonably have been avoided; (iii) the amount by which the unpaid rent for the balance of the term of the Lease after the time of award exceeds the amount of rent loss that Tenant proves could reasonably be avoided (discounting such amount by the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus 1%); and (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under the Lease, or which in the ordinary course would be likely to result from the Event of Default, including without limitation Reletting Expenses described in Section 22(b).
- b. Re-Entry and Reletting. Landlord may continue this Lease in full force and effect, and without demand or notice, re-enter and take possession of the Premises or any part thereof, expel the Tenant from the Premises and anyone claiming through or under the Tenant, and remove the personal property of either. Landlord may relet the Premises, or any part of them, in Landlord's or Tenant's name for the account of Tenant, for such period of time and at such other terms and conditions, as Landlord, in its discretion, may determine. Landlord may collect and receive the rents for the Premises. To the fullest extent permitted by law, the proceeds of any reletting shall be applied: first, to pay Landlord all costs and expenses of such reletting (including without limitation, costs and expenses incurred in retaking or repossessing the Premises, removing persons or property therefrom, securing new tenants, and, if Landlord maintains and operates the Premises, the costs thereof); second, to pay any indebtedness of Tenant to Landlord other than rent; third, to the rent due and unpaid hereunder; and fourth, the residue, if any, shall be held by Landlord and applied in payment of other or future obligations of Tenant to Landlord as the same may become due and payable, and Tenant shall not be entitled to receive any portion of such revenue. Re-entry or taking possession of the Premises by Landlord under this Section shall not be construed as an election on Landlord's part to terminate this Lease, unless a written notice of termination is given to Tenant. Landlord reserves the right following any re-entry or reletting, or both, under this Section to exercise its right to terminate the Lease. Tenant will pay Landlord the rent and other sums which would be payable under this Lease if repossession had not occurred, less the net proceeds, if any, after reletting the Premises, after deducting Landlord's Reletting Expenses. "Reletting Expenses" is defined to include all expenses incurred by Landlord in connection with reletting the Premises, including without limitation,

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all repossession costs, brokerage commissions, attorneys' fees, remodeling and repair costs, costs for removing and storing Tenant's property and equipment, and tenant improvements and rent concessions granted by Landlord to any new Tenant, prorated over the life of the new lease.

- C. Waiver of Redemption Rights. Tenant, for itself, and on behalf of any and all persons claiming through or under Tenant, including creditors of all kinds, hereby waives and surrenders all rights and privileges which they may have under any present or future law, to redeem the Premises or to have a continuance of this Lease for the Lease term, as it may have been extended.
- d. Nonpayment of Additional Rent. All costs which Tenant is obligated to pay to Landlord pursuant to this Lease shall in the event of nonpayment be treated as if they were payments of Rent, and Landlord shall have all the rights herein provided for in case of nonpayment of Rent.
- Premises at Landlord's request following an uncured Event of Default, Landlord may, at its option, remove and store the property at Tenant's expense and risk. If Tenant does not pay the storage cost within five (5) days of Landlord's request, Landlord may, at its option, have any or all of such property sold at public or private sale (and Landlord may become a purchaser at such sale), in such manner as Landlord deems proper, without notice to Tenant. Landlord shall apply the proceeds of such sale: (i) to the expense of such sale, including reasonable attorneys' fees actually incurred; (ii) to the payment of the costs or charges for storing such property; (iii) to the payment of any other sums of money which may then be or thereafter become due Landlord from Tenant under any of the terms hereof; and (iv) the balance, if any, to Tenant. Nothing in this Section shall limit Landlord's right to self Tenant's personal property as permitted by law or to foreclose Landlord's lien for unpald rent.
- 23. MORTGAGE SUBORDINATION AND ATTORNMENT. This Lease shall automatically be subordinate to any mortgage or deed of trust created by Landlord which is now existing or hereafter placed upon the Premises including any advances, interest, modifications, renewals, replacements or extensions ("Landlord's Mortgage"). Tenant shall attorn to the holder of any Landlord's Mortgage or any person(s) acquiring the Premises at any sale or other proceeding under any Landlord's Mortgage provided such person(s) assume the obligations of Landlord under this Lease. Tenant shall promptly and in no event later than fifteen (15) days after request execute, acknowledge and deliver documents which the holder of any Landlord's Mortgage may reasonably require as further evidence of this subordination and attornment. Notwithstanding the foregoing, Tenant's obligations under this Section to subordinate in the future are conditioned on the holder of each Landlord's Mortgage and each person acquiring the Premises at any sale or other proceeding under any such Landlord's Mortgage not disturbing Tenant's occupancy and other rights under this Lease, so long as no uncurred Event of Default exists.
- 24. NON-WAIVER. Landlord's waiver of any breach of any term contained in this Lease shall not be deemed to be a waiver of the same term for subsequent acts of Tenant. The acceptance by Landlord of Rent or other amounts due by Tenant hereunder shall not be deemed to be a waiver of any breach by Tenant preceding such acceptance.
- 25. HOLDOVER. If Tenant shall, without the written consent of Landlord, hold over after the expiration or termination of the term, such tenancy shall be deemed to be on a month-to-month basis and may be terminated according to Washington law. During such tenancy, Tenant agrees to pay to Landlord 150% the rate of rental last payable under this Lease, unless a different rate is agreed upon by Landlord. All other terms of the Lease shall remain

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in effect. Tenant acknowledges and agrees that this Section 25 does not grant any right to Tenant to holdover, and that Tenant may also be liable to Landlord for any and all damages or expenses which Landlord may have to incur as a result of Tenant's holdover.

- 26. NOTICES. All notices under this Lease shall be in writing and effective (i) when delivered in person or via overnight courier, (ii) three (3) days after being sent by registered or certified mail to Landlord or Tenant, as the case may be, at the Notice Addresses set forth in Section 1(h); or (iii) upon confirmed transmission by facsimile to such persons at the facsimile numbers set forth in Section 1(h) or such other addresses/facsimile numbers as may from time to time be designated by such parties in writing.
- 27. COSTS AND ATTORNEYS' FEES. If Tenant or Landlord engage the services of an attorney to collect monies due or to bring any action for any relief against the other, declaratory or otherwise, arising out of this Lease, including any suit by Landlord for the recovery of Rent or other payments, or possession of the Premises, the losing party shall pay the prevailing party a reasonable sum for attorneys' fees in such suit in mediation or arbitration, at trial, on appeal and in any bankruptcy proceeding.
- ESTOPPEL CERTIFICATES. Tenant shall, from time to time, upon written request of 28. Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement specifying the following, subject to any modifications necessary to make such statements true and complete: (i) the date the Lease term commenced and the date it expires; (ii) the amount of minimum monthly Rent and the date to which such Rent has been paid; (iii) that this Lease is in full force and effect and has not been assigned, modified, supplemented or amended in any way; (iv) that this Lease represents the entire agreement between the parties; (v) that all conditions under this Lease to be performed by Landlord have been satisfied; (vi) that there are no existing claims, defenses or offsets which the Tenant has against the enforcement of this Lease by Landlord; (vii) that no Rent has been paid more than one month In advance; (viii) that no security has been deposited with Landlord (or, if so, the amount thereof); and (ix) such other factual matters concerning the Lease or the Premises as Landlord may reasonably request. Any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landtord's interest or assignee of any mortgage or new mortgagee of Landlord's interest in the Premises. If Tenant shall fall to respond within ten (10) days of receipt by Tenant of a written request by Landford as herein provided, Tenant shall be deemed to have given such certificate as above provided without modification and shall be deemed to have admitted the accuracy of any information supplied by Landford to a prospective purchaser or mortgagee.
- 29. TRANSFER OF LANDLORD'S INTEREST. This Lease shall be assignable by Landlord without the consent of Tenant. In the event of any transfer or transfers of Landlord's interest in the Premises, other than a transfer for security purposes only, upon the assumption of this Lease by the transferee, Landlord shall be automatically relieved of obligations and liabilities accruing from and after the date of such transfer, including any liability for any retained security deposit or prepaid rent, for which the transferee shall be flable, and Tenant shall attorn to the transferee.
- 30. LANDLORD'S LIABILITY. Anything in this Lease to the contrary notwithstanding, covenants, undertakings and agreements herein made on the part of Landlord are made and intended not as personal covenants, undertakings and agreements for the purpose of binding Landlord personally or the assets of Landlord except Landlord's interest in the Premises, but are made and intended for the purpose of binding only the Landlord's interest in the Premises, as the same may from time to time be encumbered. In no event shall Landlord or its partners, shareholders, or members, as the case may be, ever be personally liable hereunder.



- 31. RIGHT TO PERFORM. If Tenant shall fail to timely pay any sum or perform any other act on its part to be performed hereunder, Landlord may make any such payment or perform any such other act on Tenant's part to be made or performed as provided in this Lease. Tenant shall, within ten (10) days of demand, reimburse Landlord for its expenses incurred in making such payment or performance. Landlord shall (in addition to any other right or remedy of Landlord provided by law) have the same rights and remedies in the event of the nonpayment of sums due under this Section as in the case of default by Tenant in the payment of Rent.
- 32. HAZARDOUS MATERIAL. Landlord represents and warrants to Tenant that, to Landlord's knowledge without duty of investigation, there is no "Hazardous Material" (as defined below) on, in, or under the Premises as of the Commencement Date except as may otherwise have been disclosed to Tenant in writing before the execution of this Lease. If there is any Hazardous Material on, in, or under the Premises as of the Commencement Date which has been or thereafter becomes unlawfully released through no fault of Tenant, then Landlord shall indemnify, defend and hold Tenant harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including without limitation sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees, incurred or suffered by Tenant either during or after the Lease term as the result of such contamination.

Tenant shall not cause or permit any Hazardous Material to be brought upon, kept, or used in or about, or disposed of on the Premises by Tenant, its agents, employees, contractors or invitees, except with Landlord's prior consent and then only upon strict compliance with all applicable federal, state and local laws, regulations, codes and ordinances. If Tenant breaches the obligations stated in the preceding sentence, then Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including, without limitation, diminution in the value of the Premises, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises, or elsewhere, damages arising from any adverse impact on marketing of space at the Premises, and sums pald in settlement of claims, attorneys' fees, consultant fees and expert fees incurred or suffered by Landlord either during or after the Lease term. These indemnifications by Landford and Tenant include, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work, whether or not required by any federal, state or local governmental agency or political subdivision, because of Hazardous Material present in the Premises, or in soil or ground water on or under the Premises. Tenant shall immediately notify Landlord of any inquiry, investigation or notice that Tenant may receive from any third party regarding the actual or suspected presence of Hazardous Material on the Premises.

Without limiting the foregoing, if the presence of any Hazardous Material brought upon, kept or used in or about the Premises by Tenant, its agents, employees, contractors or invitees, results in any unlawful release of Hazardous Materials on the Premises or any other property. Tenant shall promptly take all actions, at its sole expense, as are necessary to return the Premises or any other property, to the condition existing prior to the release of any such Hazardous Material; provided that Landlord's approval of such actions shall first be obtained, which approval may be withheld at Landlord's sole discretion.

As used herein, the term "Hazardous Material" means any hazardous, dangerous, toxic or harmful substance, material or waste including biomedical waste which is or becomes regulated by any local governmental authority, the State of Washington or the United States Government, due to its potential harm to the health, safety or welfare of humans or the environment. The provisions of this Section 32 shall survive expiration or termination of this Lease.

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- 33. QUIET ENJOYMENT. So long as Tenant pays the Rent and performs all of its obligations in this Lease, Tenant's possession of the Premises will not be disturbed by Landlord or anyone claiming by, through or under Landlord.
- 34. MERGER. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger and shall, at the option of Landlord, terminate all or any existing subtenancies or may, at the option of Landlord, operate as an assignment to Landlord of any or all of such subtenancies.

## 35. GENERAL.

Heirs and Assigns. This Lease shall apply to and be binding upon Landlord and Tenant and their respective heirs, executors, administrators, successors and assigns.

- Brokers' Fees. Landlord represented itself in this transaction. Tenant represented itself in this transaction. Tenant represents and warrants to Landlord that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease and shall indemnify and hold harmless Landlord against any loss, cost, liability or expense incurred by Landlord as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Tenant. Landlord represents and warrants to Tenant it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease and shall indemnify and hold harmless Tenant against any loss, cost, liability or expense incurred by Tenant as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Landlord.
- b. Entire Agreement. This Lease contains all of the covenants and agreements between Landlord and Tenant relating to the Premises. No prior or contemporaneous agreements or understanding pertaining to the Lease shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or added to except in writing signed by Landlord and Tenant.
- c. Severability. Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision of this Lease.
- d. Force Majeure. Time periods for either party's performance under any provisions of this Lease (excluding payment of Rent) 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, embargoes, governmental regulations, acts of God, public enemy, war or other strife.
- e. Governing Law. This Lease shall be governed by and construed in accordance with the laws of the State of Washington.
- f. Memorandum of Lease. Neither this Lease nor any memorandum or "short form" thereof shall be recorded without Landkord's prior consent.
- g. Submission of Lease Form Not an Offer. One party's submission of this Lease to the other for review shall not constitute an offer to lease the Premises. This Lease shall not become effective and binding upon Landlord and Tenant until it has been fully signed by both Landlord and Tenant.

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- No Light, Air or View Easement. Tenant has not been granted an easement or other right for light, air or view to or from the Premises. Any diminution or shutting off of light, air or view by any structure which may be erected on or adjacent to the Building shall in no way effect this Lease or the obligations of Tenant hereunder or impose any liability on Landlord.
- i, Authority of Parties. Each party signing this Lease represents and warrants to the other that it has the authority to enter into this Lease, that the execution and delivery of this Lease has been duly authorized, and that upon such execution and delivery this Lease shall be binding upon and enforceable against the party on signing.
- Time. "Day" as used herein means a calendar day and "business day" means any day j. on which commercial banks are generally open for business in the state where the Premises are situated. Any period of time which would otherwise end on a non-business day shall be extended to the next following business day. Time is of the essence of this Lease.
- 36. EXHIBITS AND RIDERS. The following exhibits and riders are made a part of this Lease, and the terms thereof shall control over any Inconsistent provision in the sections of this Lease:

Exhibit A Floor Plan Outline of the Premises

Exhibit B Legal Description

Exhibit C Tenant Improvement Schedule including drawings and scope of work to be performed.

Rent Rider

Arbitration Rider

Guaranty of Tenant's Lease Obligations Rider

Parking Rider

Option to Extend Rider

IN WITNESS WHEREOF this Lease has been executed the date and year first above written.

LANDLORD:

John Eisenhauer, Managing Partner

Signing for Madison Avenue Real Estate, LLC

Sal DeRosalia, Owner

Signing for Bainbridge Strength Inc.

STATE OF WASHINGTON	SS.
COUNTY OF _Kitsap	55.
before me and said person acknowle authorized to execute the instrument:	tory evidence that John Eisenhauer is the person who appeared edged that he signed this instrument, on oath stated that he was and acknowledged it as the Managing Partner of Madison Avenue oluntary act of such party for the uses and purposes mentioned in
Dated this 19 th	day ofDecember, 2019.
MATTHEW TURNER  Notary Public  State of Washington  Commission # 205163  My Comm. Expires Jan 9, 2023	(Signature of Notary) (Legibly Print or Stamp Name of Notary) Notary public in and for the state of Washington, residing at Lander Land
STATE OF WASHINGTON  COUNTY OFKitsap	<b>5</b> S.
the person who appeared before me signed this instrument, on oath sta- authorized to execute the instrument	and acknowledged it as the _Owner of and Balnbridge to be the free and voluntary act of such party for the uses and
Dated this	day of _December, 2019.
MATTHEW TURNER Notary Public State of Washington Commission # 205163 My Comm. Expires Jan 9, 2023	(Signature of Notary) (Legibly Print or Stamp Name of Notary) Notary public in and for the state of Washington, residing at <u>Rainbridge</u> Island My appointment expires <u>1 - 9 - 23</u>

STATE OF WASHINGTON		/	
	SS.		
COUNTY OF			
I certify that I know or have satisf		<del></del>	erson who
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instrument and acknowledged it a	as theof_		to be the
free and voluntary act of such par	ty for the uses and purposes menti	ioned in the instrument.	_
Dated this	day of Decembe	er, 2019.	
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	(Signature of Notary)		
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#### **RENT RIDER**

This Rent Rider ("Rider") is a part of the lease agreement dated <u>January 1, 2020</u> (the "Lease") between <u>Madison Avenue Real Estate, LLC</u> ("Landlord") and <u>Bainbridge Strength, Inc.</u> ("Tenant") concerning the space commonly known as <u>The Gym on the upper level of the Pavillion, suite # 200</u> (the "Premises"), located at the property commonly known as <u>the Pavillion, 403 Madison Ay N. Bainbridge Island, WA 98110</u> (the "Property").

 BASE MONTHLY RENT SCHEDULE. Tenant shall pay Landlord base monthly rent during the Lease Term according to the following schedule:

Lease Year (Stated in Years, beginning in 1/1/2020)	Base Monthly Rent Amount
Year 1:	\$5,977.70
Year 2:	\$6,067,37
Year 3:	\$6,158,38
Year 4:	\$6,250.76
Year 5:	\$6,344.52
Year 6:	\$6,439.68
Year 7:	\$6,536,28
Year 8:	\$6,634.32
Year 9:	\$6,733,84
Year 10:	\$6,834.85

- 2. ANNUAL ADJUSTMENT ON BASE MONTHLY RENT. The base monthly rent in the schedule (above) shows an increase on the first day of the second year of the Lease and on the first day of each year of the Lease thereafter (each, an "Adjustment Date") during the term of this Lease (including during any extension term(s)). Each increase reflects a 1.5% increase above the previous year's base rate (only) (previous year's rate times 1.015). Landlord shall provide a courtesy reminder to the Tenant of the new base monthly rent payable hereunder in advance of each increase.
- PREPAID RENT AND LANDLORD TENANT IMPROVEMENT CREDITS. Landlord will apply a credit of \$92.80 for each of the first 60 months of the lease (in aggregate, ~\$5,580) as a pro rata application of the tenants prepaid rent (not including those prepaid rents designated as First and Last Month rent). Landlord will also apply a credit of \$70.28 for each month for up to month 120 months (up to an aggregate total of ~\$8,434) of the lease as a Tenant Improvement allowance, provided the lease is not in default.

INITIALS: LANDLORD	Æ DATE	12/19/	19 TENANT	DATE	12/19	119
LANDLORD	DATE		TENANT	 DATE _		

#### ARBITRATION RIDER

This Arbitration Rider ("Rider") is made part of the lease agreement dated <u>January 1</u>, 2020 (the "Lease") between <u>Madison Avenue Real Estate</u>, <u>LLC</u> ("Landlord") and Bainbridge Strength, Inc. ("Tenant") concerning the leased space commonly known as <u>The Gym on the upper level of the Pavilion</u>, <u>suite # 200</u> (the "Premises"), located at the property commonly known as <u>the Pavilion</u>, <u>403 Madison Ave N. Bainbridge Island</u>, <u>WA 98110</u> (the "Property").

- Claims Subject to Arbitration. Other than an action by Landlord against Tenant for nonpayment of Rent or for
  unlawful detainer or ejectment, any controversy or claim arising out of or relating to the Lease, or the breach
  thereof, shall be resolved by arbitration, including any issue about whether a claim is covered by this Rider or the
  validity of the selection of the arbitrator. The party who invokes the provisions of this Rider shall provide to all other
  parties a written demand for arbitration, which provides a concise statement of the claim(s).
- Arbitration Method. The arbitration shall be conducted pursuant to the American Arbitration Association (the "AAA")
   Commercial Arbitration Rules with Expedited Procedures in effect on the date the parties entered into the Lease, except as modified by this Rider. The arbitration, however, shall not be administered by the AAA.
- 3. <u>Arbitrator Selection</u>. The dispute between the parties shall be heard and decided by one arbitrator, who shall be an attorney with at least fifteen (15) years of commercial real estate law experience. Each party shall submit a list of three proposed arbitrators within ten (10) days of the arbitration demand. The parties shall negotiate in good faith to select an arbitrator from those submitted by them. If the parties do not select an arbitrator within five (5) days after both parties submit their lists or the end of the ten (10) day period to submit names, whichever occurs first, then the parties shall each select an arbitrator and the two selected arbitrators shall choose a third who shall hear the matter.
- Additional Arbitration Rules. The parties agree that neither party shall have the right to conduct discovery except as
  the arbitrator shall authorize. The arbitration hearing shall be conducted within ninety (90) days of the arbitration
  demand.
- Applicable Law and Venue. The arbitrator shall apply substantive law of the state in which the Premises are located and may award any remedy available at law or equity, including an award of attorney's fees and costs to the prevailing party.
- 6. Madiation. If either party demands mediation within twenty (20) days after the arbitration demand, the parties shall submit the dispute to mediation which shall not delay the arbitration date. If the parties cannot agree on a mediator, the arbitrator shall appoint one.
- 7. Venue for the arbitration shall be in the County where the Premises are located.

INITIALS: LANDLORD A	DATE	12/19/	/9 TENANT	<b>%</b>	DATE	12/19	119
LANDLORD	DATE	1 '	TENANT		DATE		

#### **GUARANTY OF TENANT'S LEASE OBLIGATIONS RIDER**

This Guaranty of Tenant's Lease Obligations Rider (the "Guaranty") is made by Sal DeRosalia whose address is <u>9463 NE Business Park Lane, Bainbridge Island, WA 98110</u> ("Guarantor"), for the benefit of <u>Madison Avenue Real Fatate, LLC</u> ("Landlord"), whose address is <u>493 Madison Avenue N., Suite 250, Bainbridge Island, WA 98110</u>

Underlying Lease. Landlord and Bainbridge Strength Inc. ("Tenant"), have entered into that certain Lease Agreement dated January 1, 2020 (the "Lease") concerning the leased space commonly known as <u>The Pavillon 403 Martison Ayanue, Suite 200 Beinbridge Is.</u> WA 98110 (the "Premises").

- 1. Guaranty. Guarantor induced Landlord to enter into the Lease in consideration for Guarantor's guaranty, and Guarantor further acknowledges that it receives direct financial and economic benefits because Tenant will lease the Premises. Therefore, Guarantor absolutely, unconditionally and irrevocably guarantees to Landlord and its successors and assigns, without deduction by reason of set-off, defense or counterclaim, a) the full, punctual, and complete payment of all rent and other sums to be paid to Landlord under the Lease, including all attorney's fees, costs and expenses of collection incurred by Landlord in enforcing its rights and remedies under the Lease and this Guaranty; and b) the full, punctual, and complete discharge and performance of each and every other term, covenant, obligation and warranty of Tenant contained in the Lease. If Tenant defaults or breaches the Lease, Guarantor shall perform Tenant's obligations on Tenant's behalf. This Guaranty shall remain in full force and effect until all the terms, covenants, conditions, and agreements contained in the Lease are fully performed and observed. This Guaranty shall be enforceable against Guarantor without the necessity of any suit or proceeding on the part of Landlord against Tenant or any other party.
- 2. No Discharge of Guarantor. This Guaranty shall not be discharged and the liability of Guarantor shall in no way be affected by (a) the release or discharge of Tenant in any receivership, bankruptcy or other proceeding (b) the impairment, limitation or modification of any liability to Landlord of Tenant or the estate of Tenant in bankruptcy, or of any remedy for the enforcement of Tenant's liability under the Lease or resulting from the operation of any present or future provision of federal or state bankruptcy or insolvency laws or other statute or from the decision in any court; (c) the rejection or disaffirmance of the Lease in any bankruptcy, insolvency, or similar proceeding. (d) the assignment, transfer, or encumbrance of all or any portion of the Tenant's interest in the Lease, the subletting of all or any portion of the Premises, or the granting to any third party of any rights of occupancy of all or any portion of the Premises; (e) waiver of discharge by Landlord of default or future performance by Tenant of any term of the Lease or Guaranty; (f) the exercise, forbearance, or election by Landlord of any of its rights or remedies reserved under the Lease, this Guaranty, or by law; (g) the release by Landlord of any security given to Landlord; or (h) any extension, renewal, amendment, expansion, or termination of the Lease.

INITIALS: LANDLORD DATE 12/19/9 TENANT DATE 12/19/19

LANDLORD DATE TENANT DATE

GUARANTY OF TENANT'S LEASE OBLIGATIONS RIDER (Continued)

- 1. Notice. Landlord shall have no obligation to notify Guarantor of any of the events described in Paragraph 3 of this Guaranty, and Guarantor waives any such notice and acknowledges specifically that such waiver includes notice of acceptance of this Guaranty, notice of any event of default under the Lease or this Guaranty, opportunity to cure any event of default under the Lease or this Guaranty, and proof of notice or demand to Tenant relating to any event of default. Guarantor hereby further waives any and all defenses, rights of subrogation, reimbursement, indemnification, contribution, and any other rights and defenses that are or may become available to it. Until all of the obligations of Tenant set forth in the Lease are fully performed and observed (including without limitation the payment of all rent and other sums required to be paid by Tenant to Landlord), Guarantor shall have no right of subrogation against Tenant by reason of any payments or acts of performance by Guarantor hereunder, and subordinates any liability or indebtedness of Tenant now or hereafter held by Guarantor to the obligations of Tenant to Landlord under the Lease.
- Attorneys' Fees. If either party is required to employ an attorney to enforce or declare its rights hereunder, including In any appeal, bankruptcy or insolvency proceeding involving Tenant or any Guarantor, the prevailing party in any such action shall be entitled to recover its attorneys' fees and costs.
- Successors and Assigns. The benefits of this Guaranty shall inure to the successors and assigns of Landlord and shall be binding upon Guarantor's successors, assigns, heirs, and legal and personal representatives.

Sal DeRosalia

**GUARANTOR** 

DATE

GUARANTOR

DATE

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### PARKING RIDER

This Parking Rider ("Rider") is made part of the lease agreement dated <u>January 1</u>, 2020 (the "Lease") between <u>Madison Avenue Real Estate, LLC</u> ("Landlord") and Bainbridge Strength, Inc. ("Tenant") concerning the leased space commonly known as <u>The Gym on the upper level of the Pavilion</u>, suite # 200 (the "Premises"), located at the property commonly known as <u>the Pavilion</u>, 403 Madison Av N, Bainbridge Island, WA 98110 (the "Property").

Tenant's right to park on the Property shall be as follows:

Tenant shall be entitled to use parking stalls in the Building or other designated parking area on an unreserved basis at no charge provided that the Tenant complies and causes its employees to comply with reasonable Rules established by the Landlord as to where Tenants and their employees are allowed to park.

Tenant shall comply with the reasonable rules and regulations which Landford may adopt from time to time for the safe and orderly operation of the parking areas.

Tenant shall comply and shall be responsible for the compliance of its customers with the terms of the Lease and any riders and any reasonable rules and regulations adopted by Landlord from time to time for the sale and orderly sharing of parking.

Landlord will post reserve stalls as required for the handicapped and five 20-minute parking spaces close to the Entry to the Pavilion for customers of the Pavilion's tenants that quickly come and go.

Landlord requests that Tenants and their employees park in the upper lot (behind the Grow House) so as to make the maximum parking available in the Pavilion parking area for Pavillon's Tenants' customers.

If there is not enough offsite parking available for Tenant and its employees, Landlord will establish rules for parking such that Tenant and its employees will be required to park as far from the Entry of the Pavilion as is possible.

Landlord Initials

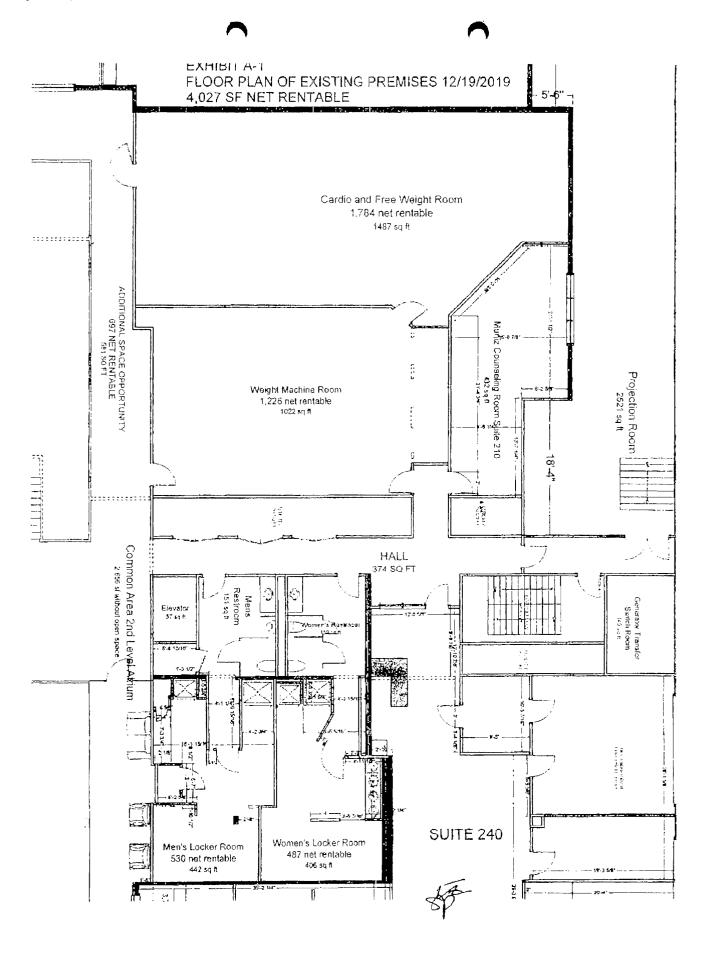
Tenant Initials

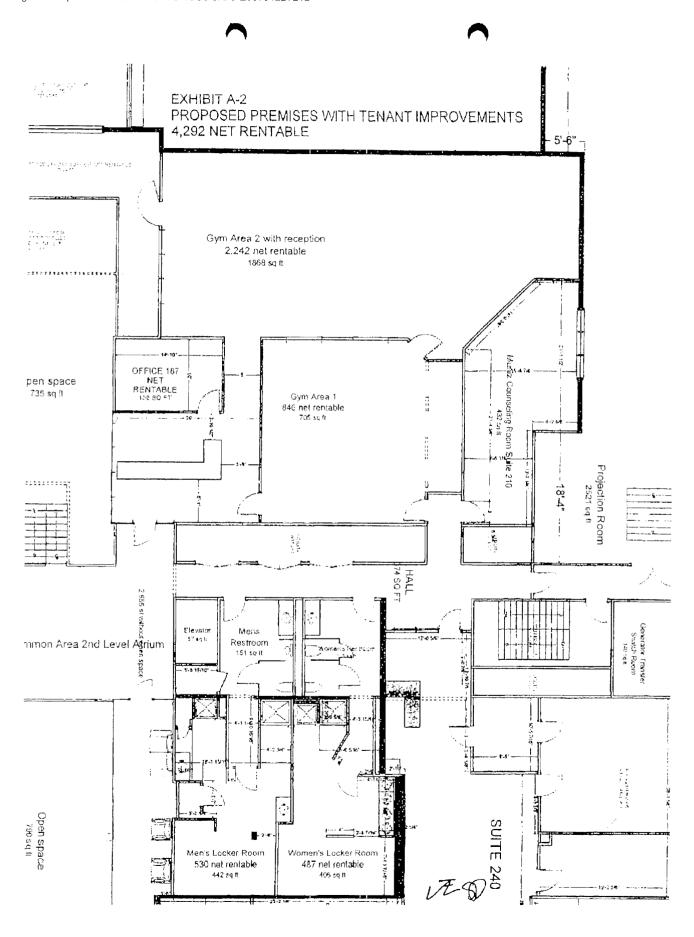
### OPTION TO EXTEND RIDER

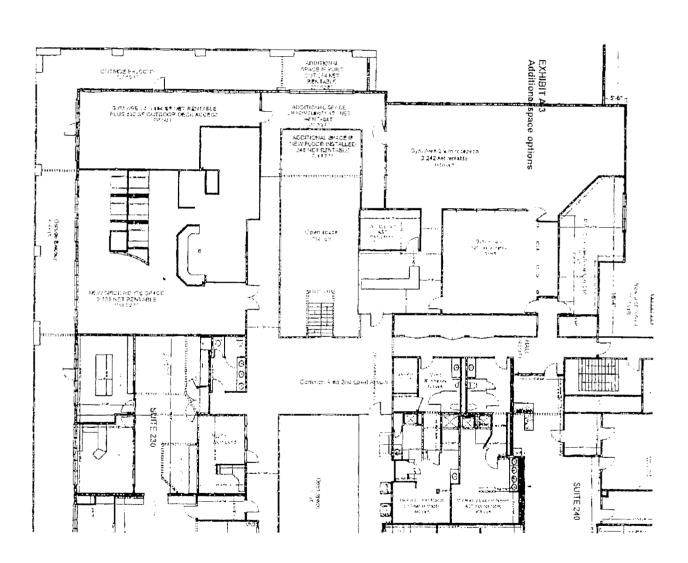
This Option to Extend Rider ("Rider") is made part of the lease agreement dated <u>January 1, 2020</u> (the "Lease") between <u>Madison Avenue Real Estate, LLC</u> ("Landlord") and <u>Bainbridge Strongth, Inc.</u> ("Tenant") concerning the leased space commonly known as <u>The Gym on the upper level of the Pavillon, suite # 200</u> (the "Premises"), located at the property commonly known as <u>the Pavillon at 403 Madison Ave N. Bainbridge Island, WA 98110</u> (the "Property").

- i. Extension of Lease. Provided Tenant is not in default of any provision of the Lease at the time that Tenant exercises the right to extend the Lease or at the time the new term begins, Tenant shall have One successive option to extend the term of the Lease for five years. The term of the Lease shall be extended on the same terms, conditions and covenants set forth in the Lease, except that (i) the amount of the Base Rent stated in the Lease shall be adjusted as set forth in the attached Rent Rider); (ii) there shall be no free or abated rent periods, tenant improvement allowances or other concessions that may have been granted to Tenant at the beginning of the initial term hereof; and (iii) after exercise of Tenant's final extension term option, there shall be no further extension or renewal term options.
- Notice. To extend the Lease, Tenant must deliver written notice to Landlord not less than one hundred eighty (180) days prior to the expiration of the then-current Lease term. Time is of the essence of this Rider.
- Monthly Rent. Landlord and Tenant agree that the Rent table in the Rent Rider represents fair market value of rent for the Premises for the next term of the Lease.
- Upon exercising this option, and at the Tenant's sole discretion, Landlord consents to transfer ownership of any/all Landlord-owned gym equipment that is in the Premises to the Tenant.

Æ AN









### **EXHIBIT B: LEGAL DESCRIPTION**

FOR THE PROPERTY CONTAINING THE PAVILION TAX ACCT# 272502-4-010-2004 SITUS ADDRESS 403 MADISON AVE N, BAINBRIDGE ISLAND, WA 98110

PARCEL I: THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 27, TOWNSHIP 25 NORTH, RANGE 2 EAST, W.M., IN KITSAP COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS: BEGINNING AT THE EAST QUARTER CORNER OF SAID SECTION 27, AND RUNNING THENCE SOUTH, ALONG THE EAST LINE OF SAID SUBDIVISION 203.62 FEET TO THE TRUE POINT OF BEGINNING OF THE TRACT HEREIN DESCRIBED; THENCE CONTINUING SOUTH, ALONG SAID EAST LINE, 75 FEET; THENCE NORTH 89\*22'42 WEST 287 FEET; THENCE NORTH 0\*40' WEST 75 FEET; THENCE SOUTH 89\*22'42 EAST 287 FEET TO THE TRUE POINT OF BEGINNING; EXCEPT THE EAST 30 FEET FOR MADISON AVENUE NORTH, AS CONVEYED UNDER AUDITOR'S FILE NO. 3063644. >>>PARCEL II: THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 27, TOWNSHIP 25 NORTH, RANGE, 2 EAST, W.M., KITSAP COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE EAST LINE OF SAID SUBDIVISION, WHICH IS SOUTH 0\*40' EAST 308.62 FEET FROM THE NORTHEAST CORNER THEREOF; THENCE NORTH 89\*22'42 WEST 287 FEET; THENCE NORTH 0\*40' WEST 30 FEET; THENCE SOUTH 89\*22'42 EAST 287 FEET, THENCE SOUTH 0\*40' EAST 30 FEET TO POINT OF BEGINNING, EXCEPT THE EAST 30 FEET THEREOF FOR MADISON AVENUE NORTH, AS CONVEYED UNDER AUDITOR'S FILE NO. 3063644.>>>PARCEL III: THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 27, TOWNSHIP 25 NORTH, RANGE 2 EAST, W.M., IN KITSAP COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE EAST LINE OF SAID SUBDIVISION WHICH IS SOUTH 0\*40' EAST 428.62 FEET FROM THE NORTHEAST CORNER THEREOF; THENCE NORTH 89\*22'42 WEST 264 FEET; THENCE NORTH 0\*40' WEST 120 FEET; THENCE SOUTH 89\*22'42 EAST 264 FEET; THENCE SOUTH 0\*40' EAST 120 FEET TO THE POINT OF BEGINNING; EXCEPT THE EAST 30 FEET FOR MADISON AVENUE NORTH, AS CONVEYED UNDER AUDITOR'S FILE NO. 3063644.>>>PARCEL IV: THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 27, TOWNSHIP 25 NORTH, RANGE 2 EAST, W.M., IN KITSAP COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT SOUTH 0\*40' EAST 503.62 FEET FROM THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER; THENCE NORTH 89\*22'42 WEST 264 FEET; THENCE NORTH 0\*40' WEST 75 FEET; THENCE SOUTH 89\*22'42 264 FEET; THENCE SOUTH 0\*40' EAST 75 FEET TO POINT OF BEGINNING; EXCEPT THE EAST 30 FEET FOR MADISON AVENUE NORTH, AS CONVEYED UNDER AUDITOR'S FILE NO. 3063644.

EA

### **EXHIBIT C**

### TENANT IMPROVEMENT SCHEDULE

### Landlord responsibilities:

Landlord will submit for necessary permit to remove and construct new walls per Exhibit A-2 floorplan Existing east wall of Gym area 1 will be relocated per above floorplan Reception area walls will be constructed with "storefront" glass matching building Office will be constructed per Exhibit A-2 floorplan, with a locking entry door Except for transom windows on its east wall, office will have no windows Basic reception counter as shown will be built; counter will be laminate Counter cabinets will be made from plywood and have open shelves Sheetrock wall south of reception counter and east of office will be constructed Transom glass windows will be installed in this new wall Existing east wall of Gym area 2 will remain.

Standard lighting and required outlets and switches to the office and reception area will be provided One or two sinks will be added in the men's locker room as shown on floorplan Relocate any sprinkler heads as required by the Fire Marshall.

Building standard keyed entries will be provided for any new doors installed Work will not commence until permit approval by City of Bainbridge Island

### **Tenant Responsibilities**

Construction by Landlord's agents will disturb some areas of Tenant's premises during construction Tenant will provide any "fob" locking mechanisms if so desired.

Tenant will renovate gym lockers as desired at its own expense.

Æ for



### Jessica Jetter <jessica@robertsbryan.com>

### FW: Suite 200 and Outcome

John Eisenhauer <johne@kombicorp.com> To: Jessica Jetter <jessica@robertsbryan.com>

Thu, Apr 1, 2021 at 1:20 PM

..and this is the only reply from Sal... and the second-to-last communication (of any kind) from him.

John A. Eisenhauer Founder, CTO, and CEO

Kombi Corp. | 403 Madison Ave N, Suite 250 | Bainbridge Island, WA 98110

DUNS: 018644069 | CAGE: 678B5 | T:206.780.6101 (direct) | M:206.910.8753 | F:206.780.4165

johne@kombicorp.com | http://www.kombicorp.com | Skype: john.a.eisenhauer

GCM Family:

Great Catch Management, Inc. | johne@greatcatchmanagement.com | http://www.greatcatchmanagement.com

President and CEO: Bainbridge Travel and The Travel Exchange: johne@TheTravelExchange.com

Principle: Sustainable Business Transformations, LLC Managing Partner: Madison Avenue Real Estate (MARE) Board of Trustees: Rocky Mountain College, Billings, Montana

Facebook

----Original Message----

From: Sal DeRosalia <sal@outcomeathletics.com>

Sent: Monday, June 8, 2020 3:05 PM

To: John Eisenhauer <johne@kombicorp.com>; Francie Brown <francieb@greatcatchmanagement.com>;

eric@bainbridge.net; Bethanee Randles <bethanee@outcomeathletics.com>

Subject: Suite 200 and Outcome

All.

I am writing to inform you that June will be the last month Outcome will be open. I will reach out to John and Francie via email to make arrangements to move out.

Between the costs and issues before March 16 and the current state of the fitness industry, Outcome can not longer operate.

Thank you, Sal





Washington Secretary of State Corporations and Charities Division 801 Capitol Way South PO Box 40234 Olympia, WA 98504-0234 (360) 725-0377 corps@sos.wa.gov

04/03/2021

BAINBRIDGE STRENGTH INC. SALVATORE DEROSALIA 9463 NE BUSINESS PARK LN BAINBRIDGE IS WA 98110-3675

### ADMINISTRATIVE DISSOLUTION

Dear Sir/Madam,

UBI #: 603 059 495

Entity Name: BAINBRIDGE STRENGTH INC.

The above listed entity has not filed its annual report that was due on 11/30/2020. As a result, the entity is no longer in active status.

In accordance with RCW23.95.605-610, the above entity is hereby administratively dissolved as of: 04/03/2021.

This action was taken due to failure of the entity to file a required report within the time set forth by law.

Under RCW 23.95.615, a domestic entity that is administratively dissolved may apply for reinstatement no later than five (5) years after the effective date of administrative dissolution noted above. RCW 23.95.615 identifies the requirements for an application for reinstatement.

You can access the Washington Secretary of State, Corporations and Charities Filing System (CCFS) online to reactivate your entity using the following website <a href="https://www.sos.wa.gov/corps">https://www.sos.wa.gov/corps</a>

Sincerely,

Washington Secretary of State Corporations and Charities Division corps@sos.wa.gov

Note: If your documents were recently submitted, please disregard this notice. If you have any questions concerning this matter please contact our office at the address or phone number shown above.



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IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

MADISON AVENUE REAL ESTATE, LLC, a Washington Limited Liability Company,

Plaintiff,

Case NO. 21-2-01397-18

SALVATORE DEROSALIA, an unmarried individual, and BAINBRIDGE STRENGTH, INC., a Washington Corporation,

Defendants.

**DECLARATION OF SERVICE** 

- I, **Timofey A. Samoylenko**, declare as follows under penalty of perjury under the laws of the State of Washington.
  - 1. I am not a party to the above-captioned action and am over the age of 18.
- 2. I am competent to testify to the matters herein and do so based upon my personal knowledge.

On September 23<sup>rd</sup>, 2021, I received a copy of documents listed below to serve upon *BAINBRIDGE STRENGTH, INC, a Washington Corporation*. At approximately **6:59p.m., On Thursday, September 23<sup>rd</sup>, 2021**, I personally served one (1) copy of the following documents at **107 Jacolet Lane NW Bainbridge Island, WA 98110**:

**Declaration:** Service on **BAINBRIDGE STRENGTH**, **INC. Page** 1 of 2

21 – 2 – 01397 – 18 AFSR 4 Affidavit Declaration Certificate Confirmation of



- a. SUMMONS
- b. COMPLAINT FOR BREACH OF CONTRACT
- DECLARATION OF JOHN EISENHAUER
- d. GR17 DECLARATION

I hand-delivered the documents to a Salvatore Derosalia, as Registered Agent for Bainbridge Strength, Inc. Mr. Derosalia is a brown-skin male, approx. 42yrs. of age, around 6'0" tall, weighs about 195 pounds and has black hair. At the time of the service, subject confirmed his identity and took papers into his hands willingly. He then was notified of the nature of documents being served. No information was provided or discovered that indicates that the subject served is a member of the United States military.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

DATED this 224 day of September 2021 at Federal Way, Washington.

Service fee: \$10.00

Timofey A. Samoylenko

King County Process Server Reg # 1317869

Premium Process, LLC 1600 SW Dash Point Rd # B-83 Federal Way, WA 98023 PH: 206.305.3692

2021 OCT -4 PM 3: 40

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IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

**MADISON AVENUE REAL ESTATE, LLC,** a Washington Limited Liability Company,

v.

Plaintiff,

Case NO. 21-2-01397-18

SALVATORE DEROSALIA, an unmarried individual, and BAINBRIDGE STRENGTH, INC., a Washington Corporation,

Defendants.

**DECLARATION OF SERVICE** 

- I, **Timofey A. Samoylenko**, declare as follows under penalty of perjury under the laws of the State of Washington.
  - 1. I am not a party to the above-captioned action and am over the age of 18.
- 2. I am competent to testify to the matters herein and do so based upon my personal knowledge.

On September 23<sup>rd</sup>, 2021, I received a copy of documents listed below to serve upon *SALVATORE DEROSALIA*, an individual. At approximately **6:59p.m.**, **On Thursday**, **September 23<sup>rd</sup>, 2021**, I personally served one (1) copy of the following documents at **107 Jacolet Lane NW Bainbridge Island, WA 98110**:

**Declaration:** Service on **SALVATORE DEROSALIA Page** 1 of 2

21-2-01397-18 AFSR 5 Affidavit Declaration Certificate Confirmation of



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IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

MADISON AVENUE REAL ESTATE, LLC, a Washington Limited Liability Company,

Plaintiff,

V.

SALVATORE DEROSALIA, an unmarried individual, and BAINBRIDGE STRENGTH, INC., a Washington Corporation,

Defendants.

No. 21-2-01397-18

**GR 17 DECLARATION** 

Juliet Dunmire declares and states as follows:

- 1. Our office represents the Plaintiff in this matter.
- 2. The Declarations of Services were sent to me to by Timofey Samoylenko, via email.
- 3. I have examined the Declarations of Service of Timofey Samoylenko, determined that they consist of four pages and that they are complete and legible.

I declare under penalty of perjury according to the laws of the State of Washington and the United States that the foregoing is true and correct.

ROBERTS & BRYAN, P.L.L.C. 103801 NE SR 104

P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX Signed at Kingston, Kitsap County, Washington, this 30th day of September 2021.

JULIET DUNMIRE

ROBERTS & BRYAN, P.L.L.C.

ROBERTS & BRYAN, P.L.L.C.

103801 NE SR 104 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

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**FILED** 

November 9, 2021 KITSAP COUNTY CLERK DAVID T. LEWIS III

## IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

MADISON AVENUE REAL ESTATE, LLC, a Washington Limited Liability Company,

Plaintiff,

٧.

SALVATORE DEROSALIA (aka SALVATOR DEROSALIA, aka SAL DEROSALIA), an unmarried individual, and BAINBRIDGE STRENGTH, INC., a Washington Corporation,

Defendants.

No. 21-2-01397-18

AMENDED COMPLAINT FOR BREACH OF CONTRACT

COMES NOW the Plaintiff, by and through its attorneys of record, Roberts & Bryan, P.L.L.C., for a cause of action against Defendants, and states and alleges as follows:

### I. PARTIES, JURISDICTION, AND VENUE

- 1.1 <u>Plaintiff</u>. Plaintiff MADISON AVENUE REAL ESTATE, LLC ("MARE") is now and at all times material hereto has been a Washington Limited Liability Company with its principal place of business located in Kitsap County, Washington.
- 1.2 <u>Defendant SALVATORE DEROSALIA (aka SALVATOR DEROSALIA, aka SAL DEROSALIA)</u>. Upon information and belief Defendant SALVATORE DEROSALIA (aka

AMENDED COMPLAINT FOR BREACH OF CONTRACT - Page 1

ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

SALVATOR DEROSALIA, aka SAL DEROSALIA), is now and at all times material hereto has been a resident of Kitsap County, Washington.

- 1.3 <u>Defendant BAINBRIDGE STRENGTH, INC.</u> Defendant BAINBRIDGE STRENGTH, INC. ("Bainbridge Strength") is a Washington Corporation with its principal place of business located in Kitsap County, Washington. BAINBRIDGE STRENGTH, INC., was administratively dissolved on April 3, 2021, by the Washington Secretary of State.
- 1.4 <u>Jurisdiction and Venue</u>. Jurisdiction and venue are proper in this Court as all actions and omissions occurred in Kitsap County, Washington, and all parties are residents of Kitsap County, Washington.

### II. <u>FACTUAL SUMMARY</u>

- 2.1 On December 19, 2019, Bainbridge Strength and MARE entered into a Lease Agreement concerning Bainbridge Strength's tenancy of 4,217 net square feet of commercial real estate owned by MARE, at the location commonly known as Suite 200, 403 Madison Avenue North, Bainbridge Island, Washington 98110.
- 2.2 The lease commencement date under the Lease Agreement was January 1, 2020. The lease termination date was December 31, 2024.
- 2.3 Bainbridge Strength agreed to pay monthly rent to MARE for a period of five years, which included a base rent amount plus monthly triple net ("NNN") minus a monthly credit for prepaid rent. The agreed base rental amount was as follows: \$5,977.70 per month for year one (starting 1/1/2020); \$6,067.37 per month for year two; \$6,158.38 per month for year three; \$6,250.76 for year four; and \$6,344.52 per month for year five. The estimated NNN for this five-year period based on Bainbridge Strength's 9.12% pro rata share of operating expenses per the Lease Agreement and the 2020 common area maintenance rate of \$10.60/sf/yr. is \$3,725.02 per month for years one through five. MARE agreed to offer a credit of \$92.80 per month for the first 60 months of the lease as a pro rata application of Bainbridge Strength's prepaid rent.

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- 2.4 A late fee of 15% per annum, or the highest rate of interest allowable by law (currently 12%), was due on all delinquent sums.
- 2.5 Defendant's non-payment of rent constitutes default under the Lease Agreement, which entitles MARE to accelerate the balance of the rent due for the remainder of the lease term, making said rent due and payable immediately.
- 2.6 In the Lease Agreement, Mr. DeRosalia agreed to a personal guaranty, pursuant to which he agreed to be liable to MARE for the obligations of Bainbridge Strength, and guaranteed the performance of Bainbridge Strength' obligations to MARE under the Lease Agreement.
- 2.7 Defendants paid \$25,000.00 to MARE in January 2020 as "Prepaid Rent" per the terms of the Lease Agreement. Defendants made no other payments. The \$25,000.00 "Prepaid Rent" included payment of \$19,432.00 in cash and a \$5,568.00 credit to the tenant for prepaying the rent. The Prepaid Rent covered full rent for January and February 2020 and partial rent for March 2020.
- 2.8 Defendants vacated and abandoned the leased premises in March of 2020, by closing their business, removing all furniture and equipment, including equipment owned by MARE, and never returned. By April 1, 2020, it was clear that Defendants had abandoned the premises when they failed to complete payment of March rent and did not pay April rent.
- 2.9 After diligent advertising and searching, MARE secured a tenant to lease a portion of the abandoned leased premises from October 2021 through May 2023 at the rate of \$1,000.00 per month, for a total of \$20,000.00. MARE anticipates that no other replacement tenants will be found for the subject lease term ending on December 31, 2024.

### III. FIRST CAUSE OF ACTION: BREACH OF CONTRACT

- 3.1 MARE realleges the allegations set forth in 1.1 through 2.9 and incorporates the same by reference as if fully set forth herein.
- 3.2 Both MARE and Bainbridge Strength entered into the Lease Agreement, but only MARE performed its obligations thereunder in all respects.

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- 3.3 Bainbridge Strength failed to perform its obligations under the Lease Agreement by abandoning the leased premises and by failing to make monthly payments required thereunder.
- 3.4 Defendants' breaches with regard to the Lease Agreement have damaged MARE in the amount of \$641,785.18, which represents the accelerated balance due through the subject lease term, minus credit for pre-paid rent, and minus re-letting proceeds, plus 12% interest per annum from April 1, 2020, to the date of this complaint, together with attorney fees and costs as provided by the Lease Agreement.

### IV. SECOND CAUSE OF ACTION: BREACH OF GUARANTY

- 4.1 MARE realleges the allegations set forth in 1.1 through 3.4 and incorporates the same by reference as if fully set forth herein.
- 4.2 Mr. DeRosalia personally guaranteed all of Bainbridge Strength's obligations to MARE under the Lease Agreement.
- 4.3 Mr. DeRosalia is jointly and severally liable to MARE to satisfy Bainbridge Strength's obligations to MARE under the Lease Agreement.
- 4.4 Mr. DeRosalia has breached his obligations under the Lease Agreement to satisfy Bainbridge Strength's obligations to MARE, and the breach has damaged MARE in the amount of \$641,785.18, which represents the accelerated balance due through the subject lease term, minus credit for pre-paid rent, and minus re-letting proceeds, plus 12% interest per annum from April 1, 2021, to the date of this complaint, together with attorney fees and costs.

### V. THIRD CAUSE OF ACTION: DECLARATORY JUDGMENT

- 5.1 MARE realleges the allegations set forth in 1.1 through 5.3 and incorporates the same by reference as if fully set forth herein.
- 5.2 Defendants completely vacated the leased premises in March 2020 and never returned, and ceased paying rent in March 2020, and thereby effectively abandoned the lease and the premises as of April 1, 2020.

### VII. REQUESTED RELIEF

WHEREFORE, MARE respectfully requests the following relief:

- A. For damages in the principal amount of \$641,785.18 against all Defendants, jointly, and severally for the breaches of the Lease Agreement and for conversion of MARE's exercise equipment.
- B. For attorney fees against all Defendants, jointly, and severally, pursuant to the Lease Agreement;
- C. For statutory attorneys fees.
- D. For a declaratory judgment that Defendants abandoned the leased premises as of April 1, 2020.
- E. For such other and further relief as the court may deem just and equitable.

DATED this	day of	11/8/2021	, 2021.
		/	/

David A. Roberts, WSBA #24247 Jessica M. Jetter, WSBA #54021 ROBERTS & BRYAN, P.L.L.C. Attorneys for Plaintiff

### **VERIFICTION**

STATE OF WASHINGTON	)
	)ss
COUNTY OF KITSAP	)

JOHN A. EISENHAUER being first duly sworn on oath, states that as Managing Partner of Madison Avenue Real Estate, LLC ("MARE"), he is authorized to act on behalf of the plaintiff named in the foregoing Complaint; that he has read said complaint, knows the contents thereof and believes the same to be true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Signed at 11/8/2021	Bainbridge	island , Kitsap County, Washington, this day of
11/8/2021	2021.	John d. Eisenhauer
		JOHN A56 ESSENHAUER, Managing Partner, MARE

AMENDED COMPLAINT FOR BREACH OF CONTRACT - Page 5

ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

### **FILED**

November 10, 2021 KITSAP COUNTY CLERK DAVID T. LEWIS III

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IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

MADISON AVENUE REAL ESTATE, LLC. No. 21-2-01397-18 a Washington Limited Liability Company,

Plaintiff,

v.

SALVATORE DEROSALIA (aka SALVATOR DEROSALIA, aka SAL DEROSALIA), an unmarried individual, and BAINBRIDGE STRENGTH, INC., a Washington Corporation,

Defendants.

MOTION FOR LEAVE TO FILE FIRST AMENDED COMPLAINT

### I. **RELIEF REQUESTED**

Petitioner respectfully moves this Court for leave to file the attached, First Amended Complaint.

### II. STATEMENT OF FACTS

After filing Plaintiff's original complaint on September 17, 2021, Plaintiff discovered that Defendant, SALVATORE DEROSALIA, is known by two other names, SALVATOR DEROSALIA and SAL DEROSALIA. Defendant SALVATORE DEROSALIA filed what appears to be a notice of appearance on October 7, 2021, captioned "Answer." Defendant failed to serve Plaintiff with said pleading. Plaintiff now respectfully requests that the court permit

> ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542

(360) 297-5298 FAX

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Plaintiff to amend Plaintiff's complaint to include Defendant's two other known names.

### ш. STATEMENT OF ISSUE

Whether justice requires that the Court grant Plaintiff leave to file a First Amended Complaint, which includes Defendant's other known names.

#### IV. LEGAL AUTHORITY

Plaintiff respectfully requests the Court's leave to file a First Amended Complaint. In Washington, leave to amend shall be freely given when justice so requires. CRLJ 15(a); see also Ouackenbush v. State, 72 Wn.2d 670, 672, 434 P.2d 736 (1967) ("Leave to amend is properly within the discretion of the trial court and should be freely granted when justice so requires."). Proposed amendments to pleadings should be allowed unless the opposing party would be prejudiced. Olsen v. Roberts & Shaeffer Co., 25 Wn. App. 225, 227, 607 P.2d 319 (1980). Refusal to grant leave to amend with no showing of prejudice constitutes an abuse of discretion. Tagliani v. Cowell, 10 Wn. App. 227, 233, 517 P.2d 207 (1973). To successfully oppose a motion to amend, the adverse party must show actual prejudice that would result from the amendment. Boilerplate allegations about difficulties in preparing for trial are insufficient. Walla v. Johnson, 50 Wn. App. 879, 751 P.2d 334 (1998).

Justice requires that this Court grant Plaintiff leave to file a First Amended Complaint to include Defendant's other known names for Plaintiff to obtain the relief requested. Trial has not been set in this case. Defendant cannot show actual prejudice resulting from the proposed amendment.

### **PROPOSED ORDER** V.

A proposed order is presented herewith.

DATED this 9 day of North , 2021.

David A. Roberts, WSBA #24247 Jessica M. Jetter, WSBA #54021 ROBERTS & BRYAN, P.L.L.C.

Attorneys for Plaintiff

ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

COMES NOW the Plaintiff, by and through its attorneys of record, Roberts & Bryan,

- 1.1 Plaintiff. Plaintiff MADISON AVENUE REAL ESTATE, LLC ("MARE") is now and at all times material hereto has been a Washington Limited Liability Company with its principal place of business located in Kitsap County, Washington.
- 1.2 Defendant SALVATORE DEROSALIA (aka SALVATOR DEROSALIA, aka SAL DEROSALIA). Upon information and belief Defendant SALVATORE DEROSALIA (aka

AMENDED COMPLAINT FOR BREACH OF CONTRACT - Page 1

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ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

SALVATOR DEROSALIA, aka SAL DEROSALIA), is now and at all times material hereto has been a resident of Kitsap County, Washington.

- 1.3 <u>Defendant BAINBRIDGE STRENGTH, INC.</u> Defendant BAINBRIDGE STRENGTH, INC. ("Bainbridge Strength") is a Washington Corporation with its principal place of business located in Kitsap County, Washington. BAINBRIDGE STRENGTH, INC., was administratively dissolved on April 3, 2021, by the Washington Secretary of State.
- 1.4 <u>Jurisdiction and Venue</u>. Jurisdiction and venue are proper in this Court as all actions and omissions occurred in Kitsap County, Washington, and all parties are residents of Kitsap County, Washington.

### II. <u>FACTUAL SUMMARY</u>

- 2.1 On December 19, 2019, Bainbridge Strength and MARE entered into a Lease Agreement concerning Bainbridge Strength's tenancy of 4,217 net square feet of commercial real estate owned by MARE, at the location commonly known as Suite 200, 403 Madison Avenue North, Bainbridge Island, Washington 98110.
- 2.2 The lease commencement date under the Lease Agreement was January 1, 2020.The lease termination date was December 31, 2024.
- 2.3 Bainbridge Strength agreed to pay monthly rent to MARE for a period of five years, which included a base rent amount plus monthly triple net ("NNN") minus a monthly credit for prepaid rent. The agreed base rental amount was as follows: \$5,977.70 per month for year one (starting 1/1/2020); \$6,067.37 per month for year two; \$6,158.38 per month for year three; \$6,250.76 for year four; and \$6,344.52 per month for year five. The estimated NNN for this five-year period based on Bainbridge Strength's 9.12% pro rata share of operating expenses per the Lease Agreement and the 2020 common area maintenance rate of \$10.60/sf/yr. is \$3,725.02 per month for years one through five. MARE agreed to offer a credit of \$92.80 per month for the first 60 months of the lease as a pro rata application of Bainbridge Strength's prepaid rent.

- 2.4 A late fee of 15% per annum, or the highest rate of interest allowable by law (currently 12%), was due on all delinquent sums.
- 2.5 Defendant's non-payment of rent constitutes default under the Lease Agreement, which entitles MARE to accelerate the balance of the rent due for the remainder of the lease term, making said rent due and payable immediately.
- 2.6 In the Lease Agreement, Mr. DeRosalia agreed to a personal guaranty, pursuant to which he agreed to be liable to MARE for the obligations of Bainbridge Strength, and guaranteed the performance of Bainbridge Strength' obligations to MARE under the Lease Agreement.
- 2.7 Defendants paid \$25,000.00 to MARE in January 2020 as "Prepaid Rent" per the terms of the Lease Agreement. Defendants made no other payments. The \$25,000.00 "Prepaid Rent" included payment of \$19,432.00 in cash and a \$5,568.00 credit to the tenant for prepaying the rent. The Prepaid Rent covered full rent for January and February 2020 and partial rent for March 2020.
- 2.8 Defendants vacated and abandoned the leased premises in March of 2020, by closing their business, removing all furniture and equipment, including equipment owned by MARE, and never returned. By April 1, 2020, it was clear that Defendants had abandoned the premises when they failed to complete payment of March rent and did not pay April rent.
- 2.9 After diligent advertising and searching, MARE secured a tenant to lease a portion of the abandoned leased premises from October 2021 through May 2023 at the rate of \$1,000.00 per month, for a total of \$20,000.00. MARE anticipates that no other replacement tenants will be found for the subject lease term ending on December 31, 2024.

### III. FIRST CAUSE OF ACTION: BREACH OF CONTRACT

- 3.1 MARE realleges the allegations set forth in 1.1 through 2.9 and incorporates the same by reference as if fully set forth herein.
- 3.2 Both MARE and Bainbridge Strength entered into the Lease Agreement, but only MARE performed its obligations thereunder in all respects.

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3.3 Bainbridge Strength failed to perform its obligations under the Lease Agreement by abandoning the leased premises and by failing to make monthly payments required thereunder.

3.4 Defendants' breaches with regard to the Lease Agreement have damaged MARE in the amount of \$641,785.18, which represents the accelerated balance due through the subject lease term, minus credit for pre-paid rent, and minus re-letting proceeds, plus 12% interest per annum from April 1, 2020, to the date of this complaint, together with attorney fees and costs as provided by the Lease Agreement.

### IV. SECOND CAUSE OF ACTION: BREACH OF GUARANTY

- 4.1 MARE realleges the allegations set forth in 1.1 through 3.4 and incorporates the same by reference as if fully set forth herein.
- 4.2 Mr. DeRosalia personally guaranteed all of Bainbridge Strength's obligations to MARE under the Lease Agreement.
- 4.3 Mr. DeRosalia is jointly and severally liable to MARE to satisfy Bainbridge Strength's obligations to MARE under the Lease Agreement.
- 4.4 Mr. DeRosalia has breached his obligations under the Lease Agreement to satisfy Bainbridge Strength's obligations to MARE, and the breach has damaged MARE in the amount of \$641,785.18, which represents the accelerated balance due through the subject lease term, minus credit for pre-paid rent, and minus re-letting proceeds, plus 12% interest per annum from April 1, 2021, to the date of this complaint, together with attorney fees and costs.

### V. THIRD CAUSE OF ACTION: DECLARATORY JUDGMENT

- 5.1 MARE realleges the allegations set forth in 1.1 through 5.3 and incorporates the same by reference as if fully set forth herein.
- 5.2 Defendants completely vacated the leased premises in March 2020 and never returned, and ceased paying rent in March 2020, and thereby effectively abandoned the lease and the premises as of April 1, 2020.

### VII. REQUESTED RELIEF

WHEREFORE, MARE respectfully requests the following relief:

- A. For damages in the principal amount of \$641,785.18 against all Defendants, jointly, and severally for the breaches of the Lease Agreement and for conversion of MARE's exercise equipment.
- B. For attorney fees against all Defendants, jointly, and severally, pursuant to the Lease Agreement;
- C. For statutory attorneys fees.

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- D. For a declaratory judgment that Defendants abandoned the leased premises as of April 1, 2020.
- E. For such other and further relief as the court may deem just and equitable.

DATED this	day of	, 2021
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David A. Roberts, WSBA #24247
Jessica M. Jetter, WSBA #54021
ROBERTS & BRYAN, P.L.L.C.
Attorneys for Plaintiff

### **VERIFICTION**

STATE OF WASHINGTON )
ss
COUNTY OF KITSAP )

JOHN A. EISENHAUER being first duly sworn on oath, states that as Managing Partner of Madison Avenue Real Estate, LLC ("MARE"), he is authorized to act on behalf of the plaintiff named in the foregoing Complaint; that he has read said complaint, knows the contents thereof and believes the same to be true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Signed at \_\_\_\_\_\_, Kitsap County, Washington, this \_\_\_\_ day of 2021.

JOHN A. EISENHAUER, Managing Partner, MARE

AMENDED COMPLAINT FOR BREACH OF CONTRACT - Page 5

ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

November 10, 2021 KITSAP COUNTY CLERK DAVID T. LEWIS III

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IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

MADISON AVENUE REAL ESTATE, LLC, No. 21-2-01397-18 a Washington Limited Liability Company,

**DECLARATION OF SERVICE** 

SALVATORE DEROSALIA (aka SALVATOR DEROSALIA, aka SAL DEROSALIA), an unmarried individual, and BAINBRIDGE STRENGTH, INC., a Washington Corporation,

Defendants.

Plaintiff,

The undersigned certifies that on November 9, 2021, I served the following documents:

- 1. Note for Motion Docket
- Motion for Leave to File First Amended Complaint & Amended Complaint 2. for Breach of Contract
- Order Granting Plaintiff's Motion for Leave to File First Amended 3. Complaint & Amended Complaint for Breach of Contract

Via Priority 1-Day mail to the following persons:

ROBERTS & BRYAN, P.L.L.C. 10801 NE HWY 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

Salvatore DeRosalia 107 Jacolet Lane NW # 107 Bainbridge Island, WA 98110

I am over the age of 18 and am competent to make this declaration, which I base on personal knowledge. I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

DATED this 10th day of November 2021, at Kingston, WA.

Juliet Dunmire, Administrative Assistant Roberts & Bryan PLLC

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DAVID T. LEWIS III

AFSR 11 Affidavit Declaration Certificate Confirmation of 11371236



## IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

MADISON AVENUE REAL ESTATE, LLC, a Washington Limited Liability Company,

, ,

Plaintiff,

v.

SALVATORE DEROSALIA (aka SALVATOR DEROSALIA, aka SAL DEROSALIA), an unmarried individual, and BAINBRIDGE STRENGTH, INC., a Washington Corporation,

Defendants.

No. 21-2-01397-18

**DECLARATION OF SERVICE** 

The undersigned certifies that on November 9, 2021, I served the following documents:

1. Amended Complaint for Breach of Contract

Via regular mail to the following persons:

Salvatore DeRosalia 107 Jacolet Lane NW # 107 Bainbridge Island, WA 98110

DECLARATION OF SERVICE

ROBERTS & BRYAN, P.L.L.C. 10801 NE HWY 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

I am over the age of 18 and am competent to make this declaration, which I base on personal knowledge. I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

DATED this 9th day of November 2021, at Kingston, WA.

Juliet Dunmire, Administrative Assistant Roberts & Bryan PLLC 21 – 2 – 01397 – 18 DCLR 12 Declaration Affidavit 11371241

### FILED

NOV 12 2021

KITSAP COUNTY CLERK DAVID T. LEWIS III

## IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

MADISON AVENUE REAL ESTATE, LLC, a Washington Limited Liability Company,

No. 21-2-01397-18

Plaintiff,

v.

**GR 17 DECLARATION** 

SALVATORE DEROSALIA, an unmarried individual, and BAINBRIDGE STRENGTH, INC., a Washington Corporation,

Defendants.

Juliet Dunmire declares and states as follows:

- 1. Our office represents the Plaintiff in this matter.
- 2. The Amended Complaint for Breach of Contract was sent by me to John A. Eisenhauer, via Docusign for signature.
- 3. I have examined the Amended Complaint for Breach of Contract, determined that it consists of five pages and that it is complete and legible.

I declare under penalty of perjury according to the laws of the State of Washington and the United States that the foregoing is true and correct.

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JULIET DUNMIRE ROBERTS & BRYAN, P.L.L.C.

**ROBERTS & BRYAN, P.L.L.C.** 103801 NE SR 104 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

# SUPERIOR COURT OF WASHINGTON COUNTY OF KITSAP

vs  BAINBRIDGE STRENGTH INC; SALVATORE  DEROSALIA	Hon./Comm. Reporter Courtroom Court Clerk Date	Tina Robinson Barb Brace Courtroom 271 Ken Schonauer November 19, 2021
	No.	21-2-01397-18
Pet/Pla appearedBy Zoom/through/w Pet/Pla appearedBy Zoom/through/w Resp/Def appearedBy Zoom/throug Resp/Def appearedBy Zoom/throug Guardian Ad Litem appearedB  THE MATTER BEFORE THE COURT [] Show Ca	vith Counsel h/with Counsel _ h/with Counsel _ y Zoom State / C	By Zoom By Zoom By Zoom By Zoom Other appearedBy Zoom
Motion for default Tto compel 1 to ane	nd com	plaint
[ ] Unlawful Detainer [ ] Minor Settlement [ ] Entry of Order [ ] Status/Review [	-	
Testimony taken: * Jetter: Asking	to an	rend complaint.
[ ] Courtroom polled for  [ ] Default Granted [ ] The Court grants/denies motion. [ ] Order signed as presented. [ ] This matter stricken/continued.	[ ] Writ Grant [ ] The Court [ ] Order to b [ ] Court Sch	ed [ ] Judgment Approved takes the matter under advisement. e presented. eduler advised
[ ] Court sets		21-2-01397-18
	of	Motion Hearing 11409874

21-2-01397-18 ORGLA Order Granting Leave to Amend

RECEIVED AND FILED IN OPEN COURT

NOV 1.9 2021

DAVID T. LEWIS III

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON

IN AND FOR THE COUNTY OF KITSAP

MADISON AVENUE REAL ESTATE, LLC. No. 21-2-01397-18 a Washington Limited Liability Company,

Plaintiff,

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SALVATORE DEROSALIA (aka SALVATOR DEROSALIA, aka SAL DEROSALIA), an unmarried individual, and BAINBRIDGE STRENGTH, INC., a Washington Corporation,

MOTION FOR LEAVE TO FILE FIRST AMENDED COMPLAINT -{PROPOSED}-

ORDER GRANTING PLAINTIFF'S

Defendants.

THIS MATTER having come on for hearing before the undersigned Judge of the above-captioned Court on this \GMay of November, 2021, upon Plaintiff's Motion for Leave to File First Amended Complaint, and the Court having considered the evidence, having heard oral argument of counsel and the Defendant, and being otherwise fully advised now hereby orders as follows:

1. Plaintiff's Motion is granted; or

2.

DONE IN OPEN COURT this 19th day of No owher, 2021.

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ORDER GRANTING PLAINTIFF'S MOTION FOR LEAVE TO FILE FIRST AMENDED COMPLAINT - Page 1

ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUTTE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

Duri Ram

**JUDGE** 

TINA ROBINSON

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Presented by:

David A. Roberts, WSBA #24247 Jessica M. Jetter, WSBA #54021

ROBERTS & BRYAN, P.L.L.C.

Attorneys for Plaintiff

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ORDER GRANTING PLAINTIFF'S MOTION FOR LEAVE TO FILE FIRST AMENDED COMPLAINT - Page 2

ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

### **FILED**

### October 7, 2021 KITSAP COUNTY CLERK DAVID T. LEWIS III



### IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

	Plaintiff,	Case No.:
VS.		ANSWER
		(AN)
	Defendant.	
Defendant,		_ answers the Plaintiff's Complaint as follows:

D . 1 . 10' . 11'	1 0	20
Dated and Signed this	day of	, 20
		Signature of Defendant
		Signature of Defendant
		Driet or True Nove
Service Address where notice of		Print or Type Name
further proceedings may be sent:		

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### FILED

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KITSAP COUNTY CLERK DAVID T. LEWIS III



### IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

MADISON AVENUE REAL ESTATE, LLC, a Washington Limited Liability Company,

Plaintiff,

\_\_\_\_\_

SALVATORE DEROSALIA (aka SALVATOR DEROSALIA, aka SAL DEROSALIA), an unmarried individual, and BAINBRIDGE STRENGTH, INC., a Washington Corporation,

Defendants.

No. 21-2-01397-18

AMENDED COMPLAINT FOR BREACH OF CONTRACT

COMES NOW the Plaintiff, by and through its attorneys of record, Roberts & Bryan, P.L.L.C., for a cause of action against Defendants, and states and alleges as follows:

### I. PARTIES, JURISDICTION, AND VENUE

- 1.1 <u>Plaintiff</u>. Plaintiff MADISON AVENUE REAL ESTATE, LLC ("MARE") is now and at all times material hereto has been a Washington Limited Liability Company with its principal place of business located in Kitsap County, Washington.
- 1.2 <u>Defendant SALVATORE DEROSALIA (aka SALVATOR DEROSALIA, aka SAL DEROSALIA)</u>. Upon information and belief Defendant SALVATORE DEROSALIA (aka

AMENDED COMPLAINT FOR BREACH OF CONTRACT - Page 1

ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

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SALVATOR DEROSALIA, aka SAL DEROSALIA), is now and at all times material hereto has been a resident of Kitsap County, Washington.

- 1.3 <u>Defendant BAINBRIDGE STRENGTH, INC.</u> Defendant BAINBRIDGE STRENGTH, INC. ("Bainbridge Strength") is a Washington Corporation with its principal place of business located in Kitsap County, Washington. BAINBRIDGE STRENGTH, INC., was administratively dissolved on April 3, 2021, by the Washington Secretary of State.
- 1.4 <u>Jurisdiction and Venue</u>. Jurisdiction and venue are proper in this Court as all actions and omissions occurred in Kitsap County, Washington, and all parties are residents of Kitsap County, Washington.

### II. FACTUAL SUMMARY

- 2.1 On December 19, 2019, Bainbridge Strength and MARE entered into a Lease Agreement concerning Bainbridge Strength's tenancy of 4,217 net square feet of commercial real estate owned by MARE, at the location commonly known as Suite 200, 403 Madison Avenue North, Bainbridge Island, Washington 98110.
- 2.2 The lease commencement date under the Lease Agreement was January 1, 2020. The lease termination date was December 31, 2024.
- 2.3 Bainbridge Strength agreed to pay monthly rent to MARE for a period of five years, which included a base rent amount plus monthly triple net ("NNN") minus a monthly credit for prepaid rent. The agreed base rental amount was as follows: \$5,977.70 per month for year one (starting 1/1/2020); \$6,067.37 per month for year two; \$6,158.38 per month for year three; \$6,250.76 for year four; and \$6,344.52 per month for year five. The estimated NNN for this five-year period based on Bainbridge Strength's 9.12% pro rata share of operating expenses per the Lease Agreement and the 2020 common area maintenance rate of \$10.60/sf/yr. is \$3,725.02 per month for years one through five. MARE agreed to offer a credit of \$92.80 per month for the first 60 months of the lease as a pro rata application of Bainbridge Strength's prepaid rent.

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- 2.4 A late fee of 15% per annum, or the highest rate of interest allowable by law (currently 12%), was due on all delinquent sums.
- 2.5 Defendant's non-payment of rent constitutes default under the Lease Agreement, which entitles MARE to accelerate the balance of the rent due for the remainder of the lease term, making said rent due and payable immediately.
- 2.6 In the Lease Agreement, Mr. DeRosalia agreed to a personal guaranty, pursuant to which he agreed to be liable to MARE for the obligations of Bainbridge Strength, and guaranteed the performance of Bainbridge Strength' obligations to MARE under the Lease Agreement.
- 2.7 Defendants paid \$25,000.00 to MARE in January 2020 as "Prepaid Rent" per the terms of the Lease Agreement. Defendants made no other payments. The \$25,000.00 "Prepaid Rent" included payment of \$19,432.00 in cash and a \$5,568.00 credit to the tenant for prepaying the rent. The Prepaid Rent covered full rent for January and February 2020 and partial rent for March 2020.
- 2.8 Defendants vacated and abandoned the leased premises in March of 2020, by closing their business, removing all furniture and equipment, including equipment owned by MARE, and never returned. By April 1, 2020, it was clear that Defendants had abandoned the premises when they failed to complete payment of March rent and did not pay April rent.
- 2.9 After diligent advertising and searching, MARE secured a tenant to lease a portion of the abandoned leased premises from October 2021 through May 2023 at the rate of \$1,000.00 per month, for a total of \$20,000.00. MARE anticipates that no other replacement tenants will be found for the subject lease term ending on December 31, 2024.

### III. FIRST CAUSE OF ACTION: BREACH OF CONTRACT

- 3.1 MARE realleges the allegations set forth in 1.1 through 2.9 and incorporates the same by reference as if fully set forth herein.
- 3.2 Both MARE and Bainbridge Strength entered into the Lease Agreement, but only MARE performed its obligations thereunder in all respects.

- 3.3 Bainbridge Strength failed to perform its obligations under the Lease Agreement by abandoning the leased premises and by failing to make monthly payments required thereunder.
- 3.4 Defendants' breaches with regard to the Lease Agreement have damaged MARE in the amount of \$641,785.18, which represents the accelerated balance due through the subject lease term, minus credit for pre-paid rent, and minus re-letting proceeds, plus 12% interest per annum from April 1, 2020, to the date of this complaint, together with attorney fees and costs as provided by the Lease Agreement.

### IV. SECOND CAUSE OF ACTION: BREACH OF GUARANTY

- 4.1 MARE realleges the allegations set forth in 1.1 through 3.4 and incorporates the same by reference as if fully set forth herein.
- 4.2 Mr. DeRosalia personally guaranteed all of Bainbridge Strength's obligations to MARE under the Lease Agreement.
- 4.3 Mr. DeRosalia is jointly and severally liable to MARE to satisfy Bainbridge Strength's obligations to MARE under the Lease Agreement.
- 4.4 Mr. DeRosalia has breached his obligations under the Lease Agreement to satisfy Bainbridge Strength's obligations to MARE, and the breach has damaged MARE in the amount of \$641,785.18, which represents the accelerated balance due through the subject lease term, minus credit for pre-paid rent, and minus re-letting proceeds, plus 12% interest per annum from April 1, 2021, to the date of this complaint, together with attorney fees and costs.

### V. THIRD CAUSE OF ACTION: DECLARATORY JUDGMENT

- 5.1 MARE realleges the allegations set forth in 1.1 through 5.3 and incorporates the same by reference as if fully set forth herein.
- 5.2 Defendants completely vacated the leased premises in March 2020 and never returned, and ceased paying rent in March 2020, and thereby effectively abandoned the lease and the premises as of April 1, 2020.

VII. REQUESTED RELIEF 1 WHEREFORE, MARE respectfully requests the following relief: 2 A. For damages in the principal amount of \$641,785.18 against all Defendants, jointly, 3 and severally for the breaches of the Lease Agreement and for conversion of MARE's 4 exercise equipment. 5 B. For attorney fees against all Defendants, jointly, and severally, pursuant to the Lease 6 7 Agreement; C. For statutory attorneys fees. 8 D. For a declaratory judgment that Defendants abandoned the leased premises as of April 9 1, 2020. 10 E. For such other and further relief as the court may deem just and equitable. 11 12 DATED this 19 day of November 13 14 David A. Roberts, WSBA #24247 15 Jessica M. Jetter, WSBA #54021 ROBERTS & BRYAN, P.I.L.C. 16 Attorneys for Plaintiff 17 VERIFICTION 18 STATE OF WASHINGTON ) 19 )ss COUNTY OF KITSAP 20 JOHN A. EISENHAUER being first duly sworn on oath, states that as Managing 21 Partner of Madison Avenue Real Estate, LLC ("MARE"), he is authorized to act on behalf of the plaintiff named in the foregoing Complaint; that he has read said complaint, knows the contents 22 thereof and believes the same to be true and correct. 23 I declare under penalty of perjury that the foregoing is true and correct. 24 Bainbridge Island ..., Kitsan County Washington, this 19th day of November Signed at 25 2021. John d. Eisenhauer 26 JOHN A. EISENHAUER, Managing Partner, MARE ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUITE 151 AMENDED COMPLAINT FOR BREACH OF CONTRACT - Page 5

P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

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KITSAP COUNTY CLERK DAVID T. LEWIS III

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IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

MADISON AVENUE REAL ESTATE, LLC, No. 21-2-01397-18 a Washington Limited Liability Company,

Plaintiff,

**GR 17 DECLARATION** 

SALVATORE DEROSALIA, an unmarried individual, and BAINBRIDGE STRENGTH, INC., a Washington Corporation,

Defendants.

Juliet Dunmire declares and states as follows:

- 1. Our office represents the Plaintiff in this matter.
- 2. The Amended Complaint for Breach of Contract was sent by me to John A. Eisenhauer, via Docusign for signature.
- 3. I have examined the Amended Complaint for Breach of Contract, determined that it consists of five pages and that it is complete and legible.

I declare under penalty of perjury according to the laws of the State of Washington and the United States that the foregoing is true and correct.

(360) 297-5298 FAX

Signed at Kingston, Kitsap County, Washington, this 19th day of November 2021.

JULIET DUNMIRE

ROBERTS & BRYAN, P.L.L.C.

GR 17 DECLARATION - 2

ROBERTS & BRYAN, P.L.L.C. 103801 NE SR 104 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

**FILED** 2 November 30, 2021 KITSAP COUNTY CLERK 3 DAVID T. LEWIS III 4 5 6 IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON 7 IN AND FOR THE COUNTY OF KITSAP 8 MADISON AVENUE REAL ESTATE, LLC, No. 21-2-01397-18 a Washington Limited Liability Company, 9 Plaintiff. 10 DECLARATION OF SERVICE v. 11 SALVATORE DEROSALIA (aka SALVATOR DEROSALIA, aka SAL 13 DEROSALIA), an unmarried individual, and BAINBRIDGE STRENGTH, INC., a 14 Washington Corporation, 15 Defendants. 16 The undersigned certifies that on November 30, 2021, I served the following 17 documents: 18 1. Note for Motion Docket 19 2. Motion for Default and Entry of Default Judgment and Memorandum of 20 **Authorities** 21 Order of Default 3. 22 4. Judgment 23 5. Declaration- Service Members Civil Relief Act 24 6. Declaration of Jessica M. Jetter Concerning Attorney Fees and Costs 25 26

1	Via Priority Mail Express mail to the following persons:
2	Salvatore DeRosalia
3	107 Jacolet Lane NW # 107 Bainbridge Island, WA 98110
4	Ballioriuge Island, WA 90110
5	
6	I am over the age of 18 and am competent to make this declaration, which I base on
7	personal knowledge. I declare under penalty of perjury under the laws of the State of
8	Washington that the foregoing is true and correct.
9	DATED this 30th day of November 2021, at Kingston, WA.
10	
1	Juliet Dunmire, Administrative Assistant Roberts & Bryan PLLC
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### **FILED**

**NOVEMBER 30. 2021** KITSAP COUNTY CLERK DAVID T. LEWIS III

### IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

MADISON AVENUE REAL ESTATE, LLC, No. 21-2-01397-18 a Washington Limited Liability Company,

Plaintiff,

v.

SALVATORE DEROSALIA (aka SALVATOR DEROSALIA, aka SAL DEROSALIA), an unmarried individual, and BAINBRIDGE STRENGTH, INC., a Washington Corporation,

MOTION FOR DEFAULT AND ENTRY OF DEFAULT JUDGMENT AND **MEMORANDUM OF AUTHORITIES** 

Defendants.

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COMES NOW Plaintiff MADISON AVENUE REAL ESTATE, LLC, a Washington Limited Liability Company, by and through its attorneys of record, Roberts & Bryan, PLLC, and moves the Court for default and entry of a judgment in the amount of \$641,785.18 plus accrued interest, costs, reasonable attorney fees and statutory interest, against Defendants SALVATORE DEROSALIA (aka SALVATOR DEROSALIA, aka SAL DEROSALIA), an unmarried individual, and BAINBRIDGE STRENGTH, INC., a Washington Corporation, jointly and severally.

MOTION FOR DEFAULT AND ENTRY OF DEFAULT JUDGMENT AND MEMORANDUM OF AUTHORITIES - Page 1

ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

This Motion is based on CR 55, the records and files contained herein, the Declarations of Jessica M. Jetter, filed herewith, the Declaration of John A. Eisenhauer, the Declaration of Timofey Samoylenko, and the subjoined Memorandum of Authorities.

### **MEMORANDUM OF AUTHORITIES**

### A. SUBSTANTIVE FACTS

Defendants were residing in Kitsap County, Washington, on December 19, 2019, when they entered into a Lease Agreement with Plaintiff regarding the real property commonly known as Suite 200, 403 Madison Avenue North, Bainbridge Island, Washington 98110. The lease commencement date under the Lease Agreement was January 1, 2020. The lease termination date was December 31, 2024. Declaration of John A. Eisenhauer. A true and correct copy of the Lease Agreement is attached to the Declaration of John A. Eisenhauer as Exhibit A.

Defendants agreed to pay monthly rent to Plaintiff for a period of five years, which included a base rent amount plus monthly triple net ("NNN") minus a monthly credit for prepaid rent. The agreed base rental amount was as follows: \$5,977.70 per month for year one (starting 1/1/2020); \$6,067.37 per month for year two; \$6,158.38 per month for year three; \$6,250.76 for year four; and \$6,344.52 per month for year five. The estimated NNN for this five-year period based on Defendants' 9.12% pro rata share of operating expenses per the Lease Agreement and the 2020 common area maintenance rate of \$10.60/sf/yr. is \$3,725.02 per month for years one through five. Plaintiff agreed to offer a credit of \$92.80 per month for the first 60 months of the lease as a pro rata application of Defendants' prepaid rent. *Id*.

Defendants paid \$25,000.00 to Plaintiff in January 2020 as "Prepaid Rent" per the terms of the Lease Agreement. Defendants made no other payments. *Id*.

Defendants vacated and abandoned the leased premises in March of 2020, thereby breaching the Lease Agreement, by closing their business, removing all furniture and equipment, including equipment owned by Plaintiff, and never returned. By April 1, 2020, it was clear that Defendants had abandoned the premises when they failed to complete payment of March rent and did not pay April rent. *Id*.

Defendants' breaches with regard to the Lease Agreement have damaged Plaintiff in the amount of \$641,785.18, which represents the accelerated balance due through the subject lease term, minus credit for pre-paid rent, and minus re-letting proceeds, plus 12% interest per annum from April 1, 2020, to the date of Plaintiff's complaint, together with attorney fees and costs as provided by the Lease Agreement. *Id*.

### **B. PROCEDURAL FACTS**

MOTION FOR DEFAULT AND ENTRY OF DEFAULT

JUDGMENT AND MEMORANDUM OF AUTHORITIES

A process server personally served the summons and complaint herein on each Defendant on September 23, 2021, in Bainbridge Island, Washington. The Declarations of Service are on file herein.

The Plaintiff filed the summons and complaint in this Court on September 17, 2021. More than 20 days have elapsed since service and filing of the summons and complaint. Neither Defendant has filed an answer to the complaint. On October 7, 2021, Defendant Salvatore DeRosalia filed a document entitled "Answer," which stated that he was moving to New York and asked for "more time to work on this," but which failed to admit or deny any allegation in Plaintiff's complaint. Mr. DeRosalia did not serve a copy of this document on Plaintiff. Defendant's pleading did not meet the requirements of an answer to a complaint.

On November 19, 2021, this court granted Plaintiff's motion to amend the complaint to include Defendant's other discovered names. The amended complaint was filed and served on

November 19, 2021. Ten days have elapsed since Defendants received Plaintiff's amended complaint and Plaintiff has not received an answer from Defendants.

### C. RULES ON DEFAULT

"When a party against whom a judgment for affirmative relief is sought has failed to appear, plead, or otherwise defend as provided by these rules and that fact is made to appear by motion and affidavit, a motion for default may be made." CR 55(a)(1). Once an order of default is entered, "[t]he defaulting party will be deemed to have admitted all the allegations of the plaintiff's complaint as to liability." Kaye v. Lowe's HIW, Inc., 242 P.3d 27, 158 Wn.App. 320, 326 (2010), quoting 4 Karl B. Tegland, Washington Practice: Rules Practice CR 55 author's cmts. at 334 (5th ed.2006).

The rules for defending against a lawsuit are set for in CR 8, which states in relevant part:

(b) Defenses; Form of Denials. A party shall state in short and plain terms the defenses to each claim asserted and shall admit or deny the averments upon which the adverse party relies. If a party is without knowledge or information sufficient to form a belief as to the truth of an averment, the party shall so state and this has the effect of a denial. Denials shall fairly meet the substance of the averments denied. When a pleader intends in good faith to deny only a part or a qualification of an averment, the pleader shall specify so much of it as is true and material and shall deny only the remainder. Unless the pleader intends in good faith to controvert all the averments of the preceding pleading, the pleader may make his denials as specific denials of designated averments or paragraphs, or the pleader may generally deny all the averments except such designated averments or paragraphs as the pleader expressly admits; but, when the pleader does so intend to controvert all its averments, the pleader may do so by general denial subject to the obligations set forth in rule 11.

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(d) Effect of Failure To Deny. Averments in a pleading to which a responsive pleading is required, other than those as to the amount of damage, are admitted when not denied in the responsive pleading. Averments in a pleading to which no responsive pleading is required or permitted shall be taken as denied or avoided.

In the present case, Defendants have not, in any way, admitted or denied the allegations in the complaint. Defendants have been provided with proper notice of this Motion in accordance with CR 55(a)(3). The court should enter an order of default against Defendants.

### D. RULES FOR DEFAULT JUDGMENT

Civil Rule 55(b) provides the rules for default judgment. Where the amount of the claim is for a sum certain or for a sum that can by computation be made certain, as in the present case, the court shall enter judgment for that amount plus costs and reasonable attorney fees, if allowed by law, without entry of findings of fact and conclusions of law. CR 55(b)(1). In the present case, the amount certain is \$641,785.18 for the principal balance owing by Defendants on the Lease Agreement in question, plus accrued interest at 12% per annum, together with attorney fees and costs as provided by the Lease Agreement. Plaintiff seeks \$641,785.18 plus prejudgment interest accrued at the 12% percent default rate provided in the Lease Agreement from the date of the complaint to the date of this Motion (\$15,613.84), costs (\$475.10), and reasonable attorney fees incurred thus far (\$9,300.00), plus additional attorney fees estimated to complete the default pleadings and the hearing on Plaintiff's Motion for Default (\$1,000.00) (See Declaration of Jessica M. Jetter), as provided by the Lease Agreement and as set forth in the complaint. Therefore, the total judgment should be \$668,174.12.

### E. CONCLUSION

The court should award default judgment in favor of Plaintiff MADISON AVENUE REAL ESTATE, LLC, against Defendants SALVATORE DEROSALIA (aka SALVATOR DEROSALIA, aka SAL DEROSALIA), and BAINBRIDGE STRENGTH, INC., jointly and severally, in the amount of \$668,174.12, including accrued interest, costs, reasonable attorney fees, and statutory interest.

DATED this 30 day of November, 2021,

David A. Roberts, WSBA #24247 Jessica M. Jetter, WSBA #54021 ROBERTS & BRYAN, P.L.L.C.

Attorneys for Plaintiff

MOTION FOR DEFAULT AND ENTRY OF DEFAULT JUDGMENT AND MEMORANDUM OF AUTHORITIES - Page 5

ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

### **FILED**

NOVEMBER 30, 2021 KITSAP COUNTY CLERK DAVID T. LEWIS III

### IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

MADISON AVENUE REAL ESTATE, LLC, a Washington Limited Liability Company, Plaintiff, v.  SALVATORE DEROSALIA (aka SALVATOR DEROSALIA, aka SAL DEROSALIA), an unmarried individual, and BAINBRIDGE STRENGTH, INC., a Washington Corporation, Defendants.	No. 21-2-01397-18  DECLARATION Service Members Civil Relief Act (Active Duty Military)  (AFSCR)
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JESSICA M. JETTER declares, and states as follows:

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- 1. I am an attorney of record for the Plaintiff in the above-captioned case. I am over the age of 18 and am competent to make this declaration, which I base on personal knowledge and a review of my files kept in the ordinary course of business.
- Defendant SALVATORE DEROSALIA (aka SALVATOR DEROSALIA, aka SAL DEROSALIA), is not a service member or a dependent covered by the state or federal Service Member's Civil Relief Acts.
- I know this because the attached reports from the Defense Manpower Data
   Center (DMDC) show the status for SALVATORE DEROSALIA, SALVATOR
   DEROSALIA, and SAL DEROSALIA, respectively.

DECL. RE SERVICE MEMBER'S CIVIL RELIEF

ACT (AFSCR) Page 1 of 2

ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

this

date:

Results as of: Oct-12-2021 02:55:38 PM



### Status Report Pursuant to Servicemembers Civil Relief Act

SSN:

XXX-XX-4499

Birth Date:

Jan-XX-1979

Last Name:

**DEROSALIA** 

First Name:

SAL

Middle Name:

Status As Of:

Oct-12-2021

Certificate ID:

LD1ZPRC7CNT65MV

Active Duty Start Date	Active Duty End Date	Status	Service Component
NA	NA NA	No	NA

Active Duty Start Date	Active Duty End Date	Status	Service Component
NA	NA NA	No	NA

Order Notification Start Date	Order Notification End Date	Status	Service Component
NA	NA NA	No	NA

Upon searching the data banks of the Department of Defense Manpower Data Center, based on the information that you provided, the above is the status of the individual on the active duty status date as to all branches of the Uniformed Services (Army, Navy, Marine Corps, Air Force, NOAA, Public Health, and Coast Guard). This status includes information on a Servicemember or his/her unit receiving notification of future orders to report for Active Duty.

Senento

Michael V. Sorrento, Director

Department of Defense - Manpower Data Center

400 Gigling Rd.

Seaside, CA 93955

The Defense Manpower Data Center (DMDC) is an organization of the Department of Defense (DoD) that maintains the Defense Enrollment and Eligibility Reporting System (DEERS) database which is the official source of data on eligibility for military medical care and other eligibility systems.

The DoD strongly supports the enforcement of the Servicemembers Civil Relief Act (50 USC App. § 3901 et seq, as amended) (SCRA) (formerly known as the Soldiers' and Sailors' Civil Relief Act of 1940). DMDC has issued hundreds of thousands of "does not possess any information indicating that the individual is currently on active duty" responses, and has experienced only a small error rate. In the event the individual referenced above, or any family member, friend, or representative asserts in any manner that the individual was on active duty for the active duty status date, or is otherwise entitled to the protections of the SCRA, you are strongly encouraged to obtain further verification of the person's status by contacting that person's Service. Service contact information can be found on the SCRA website's FAQ page (Q35) via this URL: https://scra.dmdc.osd.mil/scra/#/faqs. If you have evidence the person was on active duty for the active duty status date and you fail to obtain this additional Service verification, punitive provisions of the SCRA may be invoked against you. See 50 USC App. § 3921(c).

This response reflects the following information: (1) The individual's Active Duty status on the Active Duty Status Date (2) Whether the individual left Active Duty status within 367 days preceding the Active Duty Status Date (3) Whether the individual or his/her unit received early notification to report for active duty on the Active Duty Status Date.

### More information on "Active Duty Status"

Active duty status as reported in this certificate is defined in accordance with 10 USC § 101(d) (1). Prior to 2010 only some of the active duty periods less than 30 consecutive days in length were available. In the case of a member of the National Guard, this includes service under a call to active service authorized by the President or the Secretary of Defense under 32 USC § 502(f) for purposes of responding to a national emergency declared by the President and supported by Federal funds. All Active Guard Reserve (AGR) members must be assigned against an authorized mobilization position in the unit they support. This includes Navy Training and Administration of the Reserves (TARs), Marine Corps Active Reserve (ARs) and Coast Guard Reserve Program Administrator (RPAs). Active Duty status also applies to a Uniformed Service member who is an active duty commissioned officer of the U.S. Public Health Service or the National Oceanic and Atmospheric Administration (NOAA Commissioned Corps).

### Coverage Under the SCRA is Broader in Some Cases

Coverage under the SCRA is broader in some cases and includes some categories of persons on active duty for purposes of the SCRA who would not be reported as on Active Duty under this certificate. SCRA protections are for Title 10 and Title 14 active duty records for all the Uniformed Services periods. Title 32 periods of Active Duty are not covered by SCRA, as defined in accordance with 10 USC § 101(d)(1).

Many times orders are amended to extend the period of active duty, which would extend SCRA protections. Persons seeking to rely on this website certification should check to make sure the orders on which SCRA protections are based have not been amended to extend the inclusive dates of service. Furthermore, some protections of the SCRA may extend to persons who have received orders to report for active duty or to be inducted, but who have not actually begun active duty or actually reported for induction. The Last Date on Active Duty entry is important because a number of protections of the SCRA extend beyond the last dates of active duty.

Those who could rely on this certificate are urged to seek qualified legal counsel to ensure that all rights guaranteed to Service members under the SCRA are protected

WARNING: This certificate was provided based on a last name, SSN/date of birth, and active duty status date provided by the requester. Providing erroneous information will cause an erroneous certificate to be provided.



### Status Report Pursuant to Servicemembers Civil Relief Act

SSN:

XXX-XX-4499

Birth Date:

Jan-XX-1979

Last Name:

**DEROSALIA** 

First Name:

SALVATORE

Middle Name:

Status As Of:

Oct-12-2021

Certificate ID:

SNPSLVDCRFCBT1G

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NA	NA NA	No	NA

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XXX-XX-4499

Birth Date:

Jan-XX-1979

Last Name:

**DEROSALIA** 

First Name:

SALVATOR

Middle Name:

Status As Of:

Oct-12-2021

Certificate ID:

5NRN11Y86DSX1K9

Active Duty Start Date	Active Duty End Date	Status	Service Component
NA	NA NA	No	NA

Active Duty Start Date	Active Duty End Date	Status	Service Component
NA	NA NA	No	NA

Order Notification Start Date	Order Notification End Date	Status	Service Component
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### **FILED**

November 10, 2021 KITSAP COUNTY CLERK DAVID T. LEWIS III

۱	IN THE SUPERIOR COURT OF T	HE STATE OF WASHINGTON
7	IN AND FOR THE CO	
8	MADISON AVENUE REAL ESTATE, LLC, a Washington Limited Liability Company,	No. 21-2-01397-18 NOTE FOR MOTION DOCKET
10	Plaintiff,	***CLERK'S ACTION REQUIRED***
11 12 13	SALVATORE DEROSALIA, an unmarried individual, and BAINBRIDGE STRENGTH, INC., a Washington Corporation,	
14	Defendants.	
16		
17	TO: THE CLERK OF COURT	
18 19	PLEASE TAKE NOTICE that the und MOTION TO AMEND COMPLAINT, a copy	dersigned will bring on for hearing Plaintiff's of which is filed and served herewith.
20	The hearing is to be held:	
21	DATE: November 19, 2021 TIME: 9:00 a.m.	
22	AT: Civil Motions Kitsap County Superior Court 614 Division Street Port Orchard, WA 98366	
24	Reporter Requested:  Electronic recorder acceptable:	YES X NO NO
26	Court Commissioner may hear this motion:	YES X NO
		ROBERTS & BRYAN, P.L.L.C.

NOTE FOR MOTION DOCKET - Page 1

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ROBERTS & BRYAN, P.L.L.C 10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

### **FILED**

NOVEMBER 30, 2021 KITSAP COUNTY CLERK DAVID T. LEWIS III

### IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

MADISON AVENUE REAL ESTATE,
LLC, a Washington Limited Liability
Company,
Plaintiff,
v.

SALVATORE DEROSALIA (aka
SALVATOR DEROSALIA, aka SAL
DEROSALIA), an unmarried individual,
and BAINBRIDGE STRENGTH, INC., a
Washington Corporation,
Defendants.

JESSICA M. JETTER declares, and states as follows:

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- 1. I am an attorney of record for the Plaintiff in the above-captioned case. I am over the age of 18 and am competent to make this declaration, which I base on personal knowledge and a review of my files kept in the ordinary course of business.
- 2. Thus far, Plaintiff has incurred attorney fees in the amount of \$9,300.00 and costs in the amount of \$475.10 relating to this action. Attached herein as Exhibit A is a true and correct copy of the billing summary for Plaintiff associated with this matter, which was prepared by my office as of the date of this Declaration.
- 3. I estimate that Plaintiff will incur an additional \$1,000.00 in attorney fees associated with the hearing on Plaintiff's Motion for Default.

DECLARATION OF JESSICA M. JETTER CONCERNING ATTORNEY FEES AND COSTS Page 1 of 2

ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

I declare under penalty of perjury that the foregoing is true and correct. 1 2 Signed Kingston, Kitsap County, Washington, this date: 3 4 5 Jessica M. Jetter WSBA #54021 6 ROBERTS & BRYAN, P.L.L.C. Attorneys for Plaintiff 7 8 9 10 11 12 13 14 15 16 17 18 19 20

DECLARATION OF JESSICA M. JETTER CONCERNING ATTORNEY FEES AND COSTS Page 2 of 2

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ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

12/01/2020 - 11/22/2021

# Client Funds Balance(As of Report Print Date): Madison Avenue Real Estate LLC-re Sal De Rosalia /M31602

## Professional Service Detail: Madison Avenue Real Estate LLC-re Sal De Rosalia /M31602

9994	9992	9991	9990	9988	9977	9478	9477	9476	9426	9177	9330	9170	ō
02/01/2021	02/01/2021	02/01/2021	02/01/2021	02/01/2021	01/29/2021	12/17/2020	12/17/2020	12/17/2020	12/14/2020	12/02/2020	12/01/2020	12/01/2020	Date
DAR	LWL	LWL	JMJ	DAR	LML	JMJ	rwr	JMJ	DAR	IMU	DAR	JMJ	Timekeeper
Landlord Tenant - Further analysis of lease and abandonment provisions and law in the control of	Drafting - Analysis to <b>Secur</b> e lease terms re abandonment	Review and Analysis - Review of lease agreement and communication and notes in file and analysis re claims	Research and Analyzing - Current eviction proclamation and procedures for non-judicial abandonment for commercial property and reasonable offer exception under collection moratorium	Landlord Tenant - Work on on legal issue of abandonment and pursuing non-judicial procedure for that, and issue of moratorium effect on collection efforts and procedure.	Email - Communications with client re DeRosalia retainer payment receipt	Phone Call - Communications with The re De Rosalia fee	Phone Call - To <b>Fronting</b> re fee agreement (VM)	Reviewing - Fee agreements for De Rosalia	Landlord Tenant - Read emails and article from client.	Drafting - Retainer agreement	Landlord Tenant - Conference with the facts and legal issues re Outcome Athletics and Sal Delarosia; follow up notes.	Meeting - With client to discuss property / LLT issues	Task
~	~	~	~	~	~	~	N <sub>C</sub>	~	~	~	≺	N <sub>C</sub>	Billable
Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Status
0.30	0.20	0.80	0.40	0.40	0.10	0.10	0.10	0.20	0.10	0.20	0.70	0.70	Hours
300.00	250.00	250.00	250.00	300.00	250.00	250.00	250.00	250.00	300.00	250.00	300.00	250.00	Rate
90.00	50.00	200.00	100.00	120.00	25.00	25.00	0.00	50.00	30.00	50.00	210.00	0.00	Amount

12/01/2020 - 11/22/2021

12560	12559	12558	12557	12556	12547	12545	12314	12307	12282	12245	12244	12242	10941	10898	10874	10005	10004	10003
07/21/2021	07/21/2021	07/21/2021	07/21/2021	07/21/2021	07/21/2021	07/21/2021	07/02/2021	07/02/2021	07/01/2021	06/29/2021	06/29/2021	06/29/2021	04/05/2021	04/01/2021	03/31/2021	02/02/2021	02/02/2021	02/02/2021
JMJ	JMJ	ſWſ	JMJ	ſWľ	rwr	LMC	ſWſ	DAR	LML	ſWſ	LML	LWL	JMJ	LMI	rMr	JMJ	DAR	LIMI
Reviewing and Editing - Draft Declaration of Eisenhauer	Drafting - Summons	Drafting - Complaint (conversion claim and requested relief)	Drafting - Complaint (breach of contract causes of action)	Drafting - Complaint (fact section) continued	Drafting - Declaration of John Eisenhauer regarding NNN	Drafting - Complaint (fact section)	Email - Communications with client regarding NNN charges in damages	Landlord Tenant - Work on law re back rent calculation.	Analysis and Communications	Legal Research - Togunia and American State of the Company of the	Email - Communications with client	Email - Communications with client re follow:up on rent owed calculation	Review and Communications - Reviewing emails provided by client regarding offers to defendant, communications with client re next steps for settlement offer	Communications and Review - Communications with client re options for recovery of damages and next steps; review of file communications and lease agreement re same	email - Communications with client re status update	Email - Communications with client re De Rosalia analysis and next steps	Landlord Tenant - Analyze default and remedies section of lease and work on strategy for re-entry and reletting and preserving damages claims and the strategy for re-entry and reletting and preserving damages claims and the strategy work on issue of personal property converted by tenant strategy.	Reviewing and Analyzing - Lease agreement provisions re acceleration and termination
~	~	<b>~</b>	<b>~</b>	~	<b>~</b>	<b>~</b>	~	~	~	~	~	~	~	~	~	~	~	~
Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid
0.20	0.20	0.30	0.60	1.30	0.30	0.80	0.30	0.10	0.50	0.20	0.20	0.10	0.30	0.70	0.10	1.10	0.30	0.20
250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	300.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	300.00	250.00
50.00	50.00	75.00	150.00	325.00	75.00	200.00	75.00	30.00	125.00	50.00	50.00	25.00	75.00	175.00	25.00	275.00	90.00	50.00

CosmoLex

12/01/2020 - 11/22/2021

13369	13338	13337	13335	13333	13216	13214	12920	12915	12878	12865	12863	12846	12574	12569	12568	12563
09/16/2021	09/15/2021	09/15/2021	09/15/2021	09/14/2021	09/03/2021	09/03/2021	08/17/2021	08/17/2021	08/16/2021	08/13/2021	08/12/2021	08/11/2021	07/22/2021	07/21/2021	07/21/2021	07/21/2021
JMJ	ū	JD	ſWJ	UMU	JMJ	JMJ	DAR	PWF	JML	DAR	ſWſ	DAR	<b>JMJ</b>	JMJ	LWL	rWr
Reviewing - Legal assistant draft declaration	Legal Research - Research to locate physical address of Sal Derosalia	Drafting Pleadings - Drafting GR 17	Instructions - To legal assistant re filing and serving summons, complaint, and declarations, and timeline for moving for default	Email - Communications with client regarding complaint status	Finalizing and Communications - Updating damages calculation and finalizing complaint and declaration; communications with client re calculation and evidence of defendant's email re abandonment	Updates and Calculations - Updates to complaint and declaration per client requests and re-working damages calculation to account for 2021 NNN; email communications with client re same	Litigation - Carlotte	Legal Research and Analysis - The Control of the Co	Final Updates and Communications - Updating and finalizing complaint and declaration, communications with client re draft docs	Litigation - de la	Legal Research and Analysis - Regulation	Litigation - Work on summons, complaint and declaration of client; brief research of corporate status, statute of limitations re dissolved corporation,	Email - Communications with client regarding complaint status	Drafting - Edits to declaration and complaint re termination clause	Email - Communications with senior attorney regarding draft summons and complaint	Reviewing and Editing - Complaint
~	~	~	~	~	~	~	~	<b>~</b>	~	~	~	<b>≺</b>	~	~	~	~
Billed	Billed	Billed	Billed	Billed	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid	Paid
0.10	0.60	0.20	0.20	0.10	1.20	0.70	0.30	1.50	0.20	1.20	1.10	2.30	0.10	0.30	0.30	0.80
250.00	150.00	150.00	250.00	250.00	250.00	250.00	300.00	250.00	250.00	300.00	250.00	300.00	250.00	250.00	250.00	250.00
25.00	90.00	30.00	50.00	25.00	300.00	175.00	90.00	375.00	50.00	360.00	275.00	690.00	25.00	75.00	75.00	200.00

CosmoLex

12/01/2020 - 11/22/2021

13703	13701	13691	13687	13655	13633	13630	13569	13550	13497	13480	13479	13476	13475	13466	13456	13453	13448
10/08/2021	10/08/2021	10/08/2021	10/08/2021	10/06/2021	10/05/2021	10/05/2021	09/29/2021	09/28/2021	09/24/2021	09/23/2021	09/23/2021	09/23/2021	09/23/2021	09/22/2021	09/22/2021	09/22/2021	09/22/2021
JMJ	IMI	ſWſ	JMJ	rWr	IML	DAR	IML	ā	JMJ	Б	IML	JMJ	IML	DAR	LMC	ſMJ	LML
Email - Communications with senior attorney re defendant's	Email - Communications with PI with name spelling for SSN search	<ul> <li>Communications with PI and client re SSN</li> </ul>	Email - Communications with client regarding developing SSN for defendant	Email - Communications with client regarding defendant's SSN follow up	Email - Communications with client	Litigation - Jenny Janes or decendant and annual to Some	Legal Research	Drafting Pleadings - Drafting GR17 for Declarations of Service	Email - Communications with client updating re service on defendant	Correspondence - Correspondence with new process server	Email - Communications with client regulating contributions;	Email - Communications with client	Legal research	Litigation - C	Legal Research	Email - Communications with process server and legal assistant re service	Email - Communications with legal assistant re photo of defendant for process server
~	~	~	~	~	~	~	~	~	~	~	~	~	~	~	N <sub>O</sub>	N <sub>C</sub>	NC
Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed
0.10	0.10	0.10	0.10	0.10	0.50	0.50	0.40	0.20	0.10	0.30	0.10	0.30	0.30	1.20	0.80	0.10	0.10
250.00	250.00	250.00	250.00	250.00	250.00	300.00	250.00	150.00	250.00	150.00	250.00	250.00	250.00	300.00	250.00	250.00	250.00
25.00	25.00	25.00	25.00	25.00	125.00	150.00	100.00	30.00	25.00	45.00	25.00	75.00	75.00	360.00	0.00	0.00	0.00

CosmoLex

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Tuesday, November 30, 2021 1:15 PM

12/01/2020 - 11/22/2021

14105	14098	14085	14083	13989	13757	13756	13755	13754	13752	13749	13748	13745	13744	13743	13720	13708	13705	
11/09/2021	11/09/2021	11/08/2021	11/08/2021	11/02/2021	10/12/2021	10/12/2021	10/12/2021	10/12/2021	10/12/2021	10/12/2021	10/12/2021	10/12/2021	10/12/2021	10/12/2021	10/11/2021	10/11/2021	10/08/2021	
DAR	IMU	IMI	DAR	JMJ	JMJ	LIMI	ĹM	ſWſ	JMJ	ſMſ	rwr	rwr	ľMľ	LML	DAR	JMJ	DAR	
Litigation - The Control of the Cont	Reviewing - Legal assistant draft GR 17 and declaration of service	Finalizing and Communications - Finalizing pleadings and communications with client regarding next steps	Litigation - Work on amended complaint, motion for default and related court documents, look up court rules for timing of motion after amended complaint.	Email - Communications with client regarding status of hearing on default	Reviewing and Editing - Draft default pleadings	Drafting - Judgment summary	Drafting - Declaration of JMJ re attorney fees and costs	Drafting - Motion for default	Drafting - Proposed Order on Motion for Default	Email - Communications with client regarding approval of amended complaint and review of draft motion and order re default	Drafting - Declaration of Defendant's military service status and generating official reports re same	Legal Research - Regarding notice requirements for default judgment	Email - Communications with client regarding permission to amend complaint	Drafting - Amended summons and complaint, email to senior attorney re same	Litigation - Work on issues and strategy re amending compliant for defendant's aliases and need to give notice of motion for default.	Email - Communications with client re correct spelling of defendant's name per PI discovery	Litigation - Consider issue of uncertainty of spelling of defendant's first name, getting his SSN, and additional transfer in the constant of	name issue
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Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed	Billed	
0.20	0.10	0.40	0.70	0.10	0.40	0.20	0.20	1.30	0.20	0.10	0.50	0.20	0.10	0.50	0.20	0.20	0.40	
300.00	250.00	250.00	300.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	300.00	250.00	300.00	
60.00	25.00	100.00	210.00	25.00	100.00	50.00	50.00	325.00	50.00	25.00	125.00	50.00	25.00	125.00	60.00	50.00	120.00	

CosmoLex

12/01/2020 - 11/22/2021

9,300.00		37.90						Total
15.00	150.00	0.10	Unbilled	~	Drafting Pleadings - Drafting certificate of service	п	11/22/2021	14324
25.00	250.00	0.10	Billed	≺	Email - Communications with client regarding amended complaint and hearing	LWL	11/19/2021	14267
200.00	250.00	0.80	Billed	~	Hearing - Motion to amend complaint	JMJ	11/19/2021	14263
25.00	250.00	0.10	Billed	~	Email - Communications with client regarding hearing	JMJ	11/18/2021	14254
25.00	250.00	0.10	Billed	~	Email - Communications with client regarding hearing	JMJ	11/18/2021	14253
60.00	150.00	0.40	Billed	~	Drafting Pleadings - Drafting DOS, NOH and filing with Court	ā	11/09/2021	14117
200.00	250.00	0.80	Billed	~	Analysis and Communications - 1	JMJ	11/09/2021	14115
50.00	250.00	0.20	Billed	~	Editing and Finalizing - Motion and order for amended complaint	ſWſ	11/09/2021	14110
60.00	300.00	0.20	Billed	~	Litigation - Work on motion to amend complaint and proposed order granting.	DAR	11/09/2021	14109
25.00	250.00	0.10	Billed	~	Drafting - Order to Amend	ſMľ	11/09/2021	14107
75.00	250.00	0.30	Billed	~	Drafting - Motion to amend complaint	ſM	11/09/2021	14106

## Timekeeper Activity Summary: Madison Avenue Real Estate LLC-re Sal De Rosalia /M31602

9,300.00	37.90	Total
270.00	1.80	Juliet Dunmire
2,730.00	9.10	David A. Roberts
6,300.00	27.00	Jessica M. Jetter
Amount	Time Spent	Timekeeper

### **Professional Service Summary:**

Total Unbilled Hours (Non Billable)	Total Unbilled Hours (Billable)	Total Hold Hours
0.00	0.10	0.00

### Roberts & Bryan PLLC

## **Matter Billing Detailed Report**

12/01/2020 - 11/22/2021

Total Unbilled Hours (No Charge) Total Billed Hours Total Hold Amount	0.00 36.00
Total Hold Amount	0.00
Total Unbilled Amount (Billable)	15.00
Total Unbilled Amount (Non Billable)	0.00
Total Billed Amount	9,285.00

## Additional Charges Detail: Madison Avenue Real Estate LLC-re Sal De Rosalia /M31602

475.10							Total
27.10	27.10	1	Billed	~	Postage - Over night mail to Sal DeRosalia	11/19/2021	14288
0.00	0.00	-	Billed	~	Postage - One day mailing to DeRosalia	11/09/2021	14118
25.00	25.00	_	Billed	~	Search Fees Other	10/11/2021	13715
104.00	104.00	-1	Billed	~	Process Service	09/28/2021	13549
79.00	79.00	_	Billed	~	Process Service	09/22/2021	13455
240.00	240.00	_	Billed	~	Filing Fees	09/16/2021	13371
Amount	Rate	Quantity	Status	Billable	Details	Date	₽

### **Additional Charges Summary:**

	Total Billed Amount	Total Unbilled Amount (Non Billable)	Total Unbilled Amount (Billable)	Total Hold Amount
•	475.10	0.00	0.00	0.00

12/01/2020 - 11/22/2021

## Professional Service - All Matters Summary:

	Total Billed Amount	Total Unbilled Amount (Non Billable)	Total Unbilled Amount (Billable)	Total Hold Amount	Total Billed Hours	Total Unbilled Hours (No Charge)	Total Unbilled Hours (Non Billable)	Total Unbilled Hours (Billable)	Total Hold Hours
1	9,285.00	0.00	15.00	0.00	<u>,</u> 36.00 .	0.00	0.00	0.10	0.00

### **FILED**

NOVEMBER 30, 2021 KITSAP COUNTY CLERK DAVID T. LEWIS III

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No. 21-2-01397-18

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

NOTE FOR MOTION DOCKET

\*\*\*CLERK'S ACTION REQUIRED\*\*\*

### TO: THE CLERK OF COURT

SALVATORE DEROSALIA (aka

SALVATOR DEROSALIA, aka SAL

BAINBRIDGE STRENGTH, INC., a

DEROSALIA), an unmarried individual, and

MADISON AVENUE REAL ESTATE, LLC,

a Washington Limited Liability Company,

Plaintiff,

Washington Corporation,

Defendants.

PLEASE TAKE NOTICE that the undersigned will bring on for hearing Plaintiff's MOTION FOR DEFAULT, a copy of which is filed and served herewith.

The hearing is to be held:

DATE: December 10, 2021

TIME: 9:00 a.m.

AT: Civil Motions

Kitsap County Superior Court

614 Division Street

Port Orchard, WA 98366

ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUITE 151

P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

1	Reporter Requested:	YES <u>X</u> NO
	Electronic recorder acceptable:	X YES NO
2	Court Commissioner may hear this motion:	YES _ <u>X</u> NO
3	DATED: November 30, 2021	
4		
5		
6		David A. Roberts, WSBA #24247
7		Jessica M. Jetter, WSBA#54021 ROBERTS & BRYAN, P.L.L.C.
9		Attorneys for Plaintiff
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DAVID T. LEWIS III



### IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

MADISON AVENUE REAL ESTATE, LLC, No. 21-2-01397-18 a Washington Limited Liability Company,

Plaintiff,

v.

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**DECLARATION OF SERVICE** 

SALVATORE DEROSALIA (aka SALVATOR DEROSALIA, aka SAL DEROSALIA), an unmarried individual, and BAINBRIDGE STRENGTH, INC., a Washington Corporation,

Defendants.

The undersigned certifies that on November 19, 2021, I served the following documents:

1. Amended Complaint

Via overnight mail to the following persons:

Salvatore DeRosalia 107 Jacolet Lane NW # 107 Bainbridge Island, WA 98110

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ROBERTS & BRYAN, P.L.L.C. 10801 NE HWY 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

I am over the age of 18 and am competent to make this declaration, which I base on personal knowledge. I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

DATED this 22nd day of November 2021, at Kingston, WA.

Juliet Dunmire, Administrative Assistant Roberts & Bryan PLLC

### IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

MADISON AVENUE REAL ESTATE LLC	Hon./Comm.:	Jennifer Forbes Olsen, Sally
VS SALVATORE DEROSALIA et al	Courtroom:	Courtroom 271/269
	Reporter/FTR:	FTR Court Reporter
	Court Clerk:	Angie Smith /
		Shauna Johnson
	Date:	12/10/2021
	Case No. #:	21-2-01397-18
PARTIES PRESENT:		21 – 2 – 01397 – 18 MTHRG 22
Jetter, Jessica Morrow Attorney		Motion Hearing 11510392 
THE MATTER BEFORE THE COURT: Default		
TESTIMONY TAKEN:		
MS. JETTER – MOVES FOR DEFAULT AND DEFORM TO NOTICE OF THIS MOTION AND NO PROPER NOTICE OF THIS HEARING.	FAULT JUDGMENT. ANSWER TO THE C	THERE HAS BEEN NO RESPONSE COMPLAINT. THERE WAS PROPER
COURT – REVIEWS DOCUMENTS AND MAKES DEFAULT FOUND, JUDGMENT GRANTD AND	RECORD OF SERVE O ORDERS SIGNED.	ICE AND NOTICE HISTORY.
☐ Courtroom polled for ☐ Default Granted ☐ Court grants/denies motion. ☐ Order signed as presented. ☐ Matter stricken/continued. ☐ Court sets:	Order to be	ed Judgment Approved the matter under advisement.
Pleadings taken from this hearing by		

RECEIVED AND FILED IN OPEN COURT DAVID T. LEWIS III

21-2-01397-18 ORDFL Order of Default 11538977



### IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

MADISON AVENUE REAL ESTATE, LLC, a Washington Limited Liability Company,

No. 21-2-01397-18

Plaintiff.

ν.

SALVATORE DEROSALIA (aka SALVATOR DEROSALIA, aka SAL DEROSALIA), an unmarried individual, and BAINBRIDGE STRENGTH, INC., a Washington Corporation,

Defendants.

ORDER OF DEFAULT

THIS MATTER having come on regularly for hearing upon plaintiffs' motion for an order of default against Defendants SALVATORE DEROSALIA (aka SALVATOR DEROSALIA, aka SAL DEROSALIA), an unmarried individual, and BAINBRIDGE STRENGTH, INC., a Washington Corporation; Plaintiff appearing through its undersigned attorneys; the Court having reviewed the Declarations of Jessica M. Jetter, the Declaration of John A. Eisenhauer, the Declaration of Timofey Samoylenko, and the records and files herein; it appearing that Defendants were properly served with the Summons and Complaint, that no answer or defense of any kind has been filed or served; that the time for filing such answer or

> ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542

(360) 297-5298 FAX

ORDER OF DEFAULT - Page 1

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10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346

ROBERTS & BRYAN, P.L.L.C.

(360) 297-4542: (360) 297-5298 FAX:

ORDER OF DEFAULT - Page 2

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### RECEIVED AND FILED IN OPEN COURT

DEC 10 2021

DAVID T. LEWIS III

 $\sqrt{21-2-01397-18}$ JD Judgment 11538986

### IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF KITSAP

MADISON AVENUE REAL ESTATE, LLC, a Washington Limited Liability Company,

No. 21-2-01397-18

Plaintiff,

v.

JUDGMENT

PROPOSEDI-

SALVATORE DEROSALIA (aka SALVATOR DEROSALIA, aka SAL DEROSALIA), an unmarried individual, and BAINBRIDGE STRENGTH, INC., a

Washington Corporation,

Defendants.

I. JUDGMENT SUMMARY

Judgment Creditor: MADISON AVENUE REAL ESTATE, LLC

Attorneys for Judgment Creditor: David A. Roberts and Jessica M. Jetter

Roberts & Bryan, PLLC

PO Box 163

Kingston, WA 98346

Judgment Debtors: SALVATORE DEROSALIA (aka SALVATOR

DEROSALIA, aka SAL DEROSALIA), and BAINBRIDGE

STRENGTH, INC., jointly and severally

Attorney for Judgment Debtors: Pro Se

**Principal Damages Amount:** \$641,785.18

> ROBERTS & BRYAN, P.L.L.C. 10801 NE SR 104, SUITE 151 P.O. BOX 163 KINGSTON, WA 98346 (360) 297-4542 (360) 297-5298 FAX

JUDGMENT - Page 1

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Total of Taxable Costs and Attorney Fees: 1 Attorney Fees: \$ 10,300.00 2 Pre-Judgment Interest: \$ 15,613.84 3 Costs: \$ 475.10 4 TOTAL JUDGMENT: \$668,174.12 5 Interest Rate on Judgment: 12% 6 7 II. ORDER AND JUDGMENT 8 THIS MATTER having come on regularly for hearing upon Plaintiff MADISON 9 AVENUE REAL ESTATE, LLC's Motion for Default and Entry of Default Judgment, the Court 10 having granted Plaintiff's Motion, and the Court being otherwise fully advised in the premises. 11 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Plaintiff MADISON 12 AVENUE REAL ESTATE, LLC is granted judgment against Defendants SALVATORE 13 DEROSALIA (aka SALVATOR DEROSALIA, aka SAL DEROSALIA) and BAINBRIDGE 14 STRENGTH, INC., jointly and severally, as set forth in the above judgment summary. 15 16 DONE IN OPEN COURT this 10 day of \_\_\_\_\_ December 2021. 17 18 19 20 21 Presented by: 22 SALLY OLSEN 23 David A. Roberts, WSBA #24247 24 Jessica M. Jetter, WSBA #54021 ROBERTS & BRYAN, P.L.L.C. 25 Attorneys for Plaintiff 26

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