

THE ELLINGTON AND WESTERN & BROAD, L.L.C.
Project Labor Agreement

This Ellington, First & Broad, LLC and Western & Broad, LLC Project Labor Agreement (the "Project Agreement" or "Agreement"), is entered into this 16th day of July, 1999, by and between First & Broad, LLC, a Washington Limited Liability Company ("Company"), Western & Broad, LLC, a Washington Limited Liability Company, and Seattle/King County Building and Construction Trades Council and its affiliated unions signatory hereto ("Unions").

ARTICLE I
RECITALS/PURPOSES

1.1 The Company will function as the developer of the Ellington Project consisting of some 204 condominium units, retail space and parking garage. The Western & Broad, LLC project, if built, will be on property bounded by Western Avenue and Broad Street and Clay Street and the alley in Belltown, separate from the Ellington Project.

1.2 The purpose of this Project Agreement is to insure that all the Employers construction work at the Project shall proceed continuously and without interruption, efficiently, economically and with due consideration for the protection of labor standards, wages, and working conditions. The parties hereto agree and do establish and put into practice effective and binding methods for the settlement of all misunderstandings, disputes or grievances that may arise between the Company, the Employer or subcontractors at any tier level, and the Unions, or their members, to the end that the Company and the Employer and Unions are assured of complete continuity of operation without slowdown or interruption of any kind and that labor-management peace is maintained. The provisions of this Agreement shall apply to all on-site, direct-hire subcontractors of the Employer at every tier level, as provided herein.

1.3 This agreement shall apply to all on-site construction work on The Ellington Project and The Western & Broad, LLC Project, both located in Seattle, Washington, except as provided herein.

ARTICLE II
RECOGNITION

The Employer recognizes the Unions signatory hereto as the collective bargaining agents of the craft employees who are employed on the Project except non-union employers and employees as are permitted to this Agreement.

ARTICLE III

SCOPE OF AGREEMENT

This Agreement shall apply to all on-site construction work performed by the Employer as set forth in the construction provisions of the agreement between Intracorp Real Estate, LLC and the Seattle Labor Temple Association dated February 2, 1998.

3.1 This Agreement shall apply to on-site construction craft employees represented by any Union signatory hereto and shall not apply to other field personnel or non-manual employees, including but not limited to executives, engineers, draftsmen, supervisors, assistant supervisors, timekeepers, messengers, office workers, office cleaning service, guards, warranty managers, warranty technicians and other non-construction trade labor which may be identified during the course of the Project including but not limited to:

- a. Artists retained by the Company or tenants during the course of the Project, and the installation of their work.
- b. Furniture, fixture and equipment installers retained by the Company or tenants for work to be performed after the contract completion date.
- c. Employers and Employees controlled and operated by the Company (if the Company is not acting as Employer).
- d. Employees engaged in any work performed on or near, or leading to or into, the Project Site by state, county, city or other governmental bodies, or by public utilities or their contractors; or by other public agencies or their contractors.
- e. Employees engaged in maintenance on leased equipment and on-site supervision of such work.
- f. Employees engaged in warranty functions and warranty work such as all work after the issuance of a Temporary Certificate of Occupancy ("TCO") for that residential unit, and on-site supervision of such work.
- g. Tenant improvements for the retail space, for improvements made after the space is sold to a third party.

3.2 A contractor or subcontractor who makes fabrication, preparation or delivery of the following materials: sand, gravel, crushed rock, concrete redi-mix, or asphalt, produced for incorporation into the work specifically for this Project, shall be party to this agreement. A contractor or subcontractor who makes delivery of equipment and who does any work on the Project beyond the delivery, repair, maintenance or replacement of such equipment shall be party to this Agreement. Delivery of materials or products is not subject to this Agreement if they are delivered by anyone engaged in the hauling or delivery of items not listed above and who does not perform any other work on the Project.

3.3 None of the provisions of this Project Agreement shall apply to the Company (unless the Company is acting as Employer) and nothing contained herein shall be construed to prohibit or restrict the Company (unless the Company is acting as Employer) or their employees from performing work not covered by this Agreement on the Project site. As areas and/or systems of the Project are inspected and construction tested by the Company or Employer and accepted by the Company, the Agreement shall not have further force or effort on such items or areas.

3.4 The Company and/or Employer, as appropriate, has the absolute right to select any qualified bidder for the award of contracts on this Project without reference to the existence or non-existence of any agreements between such bidder and any party to this Agreement: provided that, except as provided in this Agreement such bidders shall be willing, ready and able to execute and comply with this Project Agreement should it be designated the successful bidder.

3.5 The provisions of this Project Agreement shall apply to the construction of the Project, notwithstanding the provisions of local, area and/or national agreements which may conflict or differ from the terms of this Agreement. Where a subject covered by the provisions of this Project Agreement is also covered by a conflicting provision of collective bargaining agreement, the provisions of this Project Agreement shall prevail: otherwise the terms of the applicable collective bargaining agreement shall apply except that the work of the International Union of Elevator Constructors on this Project shall be performed under the terms of its National Agreement, with the exception of Articles VI and VII of this Project Agreement, which shall apply at such work.

3.6 The following work items are excluded from the scope of this agreement: rental equipment service; all concrete testing, soil nailing testing, and CMU testing and inspection, soils testing record keeping and safety inspection; telephone and cable T.V. wiring, installation and service; office equipment installation and servicing; job site security; field office delivery, installation and removal; delivery of vinyl windows to installation point; drywall delivery to installation point; fabrication, delivery and installation of postal specialties; fabrication and installation of fire department lock boxes; delivery of cabinets, doors (interior and exterior), and millwork to installation point; delivery to installation point and connection of appliances: and delivery and installation of trash compactors.

ARTICLE IV UNION REPRESENTATION

4.1 Authorized representatives of the Unions shall have reasonable access to the Project, provided they do not interfere with the work of employees, and further provided that such representatives fully comply with the visitor safety and security rules established for the Project.

4.2 The Steward provisions of the applicable area collective bargaining agreement shall apply.

ARTICLE V MANAGEMENT RIGHTS

5.1 The employer retains full and exclusive authority for the management of its operations. The Employer shall direct his working forces at his sole prerogative, including, but not limited to, hiring, promotion, transfer, lay-off or discharge for just cause. No rules, customs, or practices shall be permitted or observed which limit or restrict production, or limit or restrict the working efforts of employees. The Company and the Employer may, in its sole discretion, utilize the most efficient method or techniques of construction, tools, or other labor-saving devices. The Employer shall schedule work in accordance with applicable local collective bargaining agreements except as otherwise expressly stated in this Agreement.

5.2 The foregoing enumeration of management rights shall not be deemed to exclude other functions not specifically set forth. The Employer, therefore, retains all legal rights not specifically covered by this Agreement.

5.3 Except as otherwise expressly stated in this Agreement, there shall be no limitation or restriction upon the Company's or the Employer's choice of materials or design, nor, regardless of source or location, upon the full use and installation of equipment, machinery, package units, pre-casts, pre-fabricated, pre-finished, or pre-assembled materials, tools, or other labor-saving devices. The Company and the Employer may without restriction install or otherwise use materials, supplies or equipment regardless of their source. The on-site installation or application of such items shall be generally performed by the craft having jurisdiction over such work except as provided herein provided, however, it is recognized that other personnel having special talents or qualifications may participate in the installation, check-off or testing of specialized or unusual equipment.

ARTICLE VI SUBCONTRACTING

5.1 As provided in Articles VIII and X the terms and conditions of this Agreement shall apply to all of the Employer's contracts or their subcontracts for work to be performed at the job site.

5.2 It is clearly understood that the provisions of this article shall not apply to the Company, consultants or tenants or to the Company unless the Company is acting as the Employer.

ARTICLE VII
PRE-JOB CONFERENCES
PROJECT ADMINISTRATIVE COMMITTEE

The parties to this Agreement agree that the Company's site Construction Manager shall meet with a representative of the Seattle/King County Building and Construction Trades Council on a monthly basis or as required to discuss jurisdictional mark-ups and the operation of the Agreement.

ARTICLE VIII
HIRING PROCEDURES - IN ACCORDANCE WITH
APPLICABLE LOCAL COLLECTIVE BARGAINING AGREEMENT

It is agreed that all parties to this Agreement will afford equal employment opportunity to all qualified person without regard to race, creed, color, sex or national origin. This shall be applicable to all matters relating to hiring, training, promotion, transfer or termination of employees. Furthermore, the parties agree to cooperate to the fullest extent to achieve the intent and purpose of the applicable regulation or Title VII, Civil Rights Act of 1964.

It is agreed and understood that specific terms and conditions governing, hiring and assignment of current union trade workers in supplement to small subcontractors existing core workforce proposed for the project may be negotiated jointly by the general contractor, small subcontractor, and applicable trade union management.

ARTICLE IX
HOURS OF WORK, OVERTIME - SHIFTS, HOLIDAYS

9.1 Hours of Work. Eight (8) hours shall constitute a standard work day. Five days, Monday through Friday, shall constitute a standard work week. Standard shift workday shall be from 7:30 am to 4:00 pm for first shift and 4:00 pm, to 12:30 am for second shift, with one-half hour unpaid lunch period. Hours of work may be altered by mutual agreement. Notification of change in hours of work will be given to the union in writing. Hours of work for pile driving, jack hammering and compacting are subject to modification by the Employer to comply with all applicable noise limitation requirements and obligations of the Company. When conditions warrant a later start of the shifts, the first shift may be from 8:00 am to 4:30 pm and the second shift may be from 4:30 pm to 1:00 am, with one-half unpaid lunch period, by mutual agreement between the Company, the Employer and the Unions. Work hours shall be uniform for all crafts. Make up days will be with prior Company and Employer approval and per applicable local collective bargaining agreements.

9.2 Shifts. First and second shifts shall be considered standard work day. Other shifts will be administered in accordance with applicable local collective bargaining agreements. Company and subcontractors shall be responsible for paying all premiums required to work the above noted shifts.

9.3 Overtime. Overtime shall be in accordance with applicable local collective bargaining agreements.

9.4 Holidays. Recognized holidays shall be as follows: New Year's Day, Martin Luther King Jr's Birthday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day and Friday after Thanksgiving Day, and Christmas Day. Work may be performed on Labor Day when circumstances warrant, i. e., the preservation of life and/or property. In the event a holiday follows on Sunday, the following day, Monday, shall be observed as such holiday. In the event a holiday falls on a Saturday, the preceding Friday shall be observed as such holiday. Monday holidays shall be honored in keeping with Federal law. There shall be no paid holidays unless explicitly under a local collective bargaining agreement. If employees are required to work on a holiday, they shall receive the appropriate overtime rate.

9.5 IT WILL NOT BE A VIOLATION OF THIS AGREEMENT WHEN THE EMPLOYER CONSIDERS IT NECESSARY TO SHUT DOWN THE PROJECT IN WHOLE OR IN PART TO AVOID THE POSSIBLE LOSS OF HUMAN LIFE BECAUSE OF AN EMERGENCY SITUATION THAT COULD ENDANGER THE LIFE AND SAFETY OF AN EMPLOYEE. IN SUCH CASES EMPLOYEES WILL BE COMPENSATED ONLY FOR THE ACTUAL TIME WORKED. IN THE CASE OF A SITUATION DESCRIBED ABOVE WHEREBY THE EMPLOYER REQUESTS EMPLOYEES TO STAND BY, THE EMPLOYEES WILL BE COMPENSATED FOR THE "STAND BY TIME". IN THE EVENT OF ANY CONFLICT, THE APPROPRIATE LOCAL COLLECTIVE BARGAINING AGREEMENT SHALL APPLY.

9.6 Project Security. In the event the Company or the Employer deems it necessary, the parties agree to develop a mutually acceptable system for employees checking in and out on the Project.

9.7 Reporting Time. In accordance with applicable local collective bargaining agreements.

ARTICLE X APPRENTICESHIP PROGRAM

10.1 The signatory unions shall supply labor for each craft to provide training and job opportunities as a means to increase the skill of the Puget Sound region work force so that utilizing the apprenticeship training, the workers can enter the pool of skilled labor, fully qualified for living wage jobs. Specific emphasis will be given to The Office of

Port Jobs Apprenticeship Opportunities Partnership Program ("AOP"), with all parties to this Agreement understanding that participation in the Union's apprenticeship program will apply towards the goals of the AOP Program.

10.2 In implementing the Project Apprenticeship Program, the Company and its subcontractors shall commit to meet the project apprenticeship participation goals of 15% of the total contract labor hours, excluding offsite vendors and suppliers.

10.3 The signatory unions shall provide upon request by each employer or subcontractor, sufficient quantities of qualified apprentices to complete the task assigned working under the supervision of a journeyman.

10.4 Apprenticeship participation hours shall be distributed throughout each technical discipline or trade and each tier expected to be utilized on this contract. Request for modification of the requirements shall be submitted to the Unions. Each request shall include written documentation of affirmative efforts to use union-registered apprentices such as copies of the letters from the contractors to the union local and responses from the Union locals stating reasons for not providing labor requested, the Union will promptly respond to the Company in writing with a decision.

10.5 During the initial construction planning period, the Company and their subcontractors shall prepare and submit a plan for the union-registered apprentice's participation. The Company and their subcontractors shall estimate the total contract labor hours to establish the framework for apprenticeship participation to be submitted to the Union at the pre-construction meeting.

1. First year apprentices who are minorities and women will perform at least:
 - a. 20% of the apprentice work hours performed by apprentices from five-year apprenticeship programs.
 - b. 25% of the apprentice work hours performed by apprentices from four-year apprenticeship programs.
 - c. 30% of the apprentice work hours performed by apprentices from three-year apprenticeship programs.
 - d. 50% of the apprentice work hours performed by apprentices from two-year apprenticeship programs.
2. Each employer and its subcontractors shall provide monthly to the Employer Representative a monthly report of apprentices used by craft and trade at each tier and level of work. With each progress payment the contractor shall submit an apprenticeship monthly report for the following month of apprenticeship hourly participation by trade.

a. The Apprenticeship monthly report shall identify the individual apprentices who participated.

b. The Apprenticeship Program participation requirements shall apply to all change orders and amendments to the contract.

c. All Apprenticeship and Workforce reports are to be in electronic form. The fields and the types of information requested to be determined (TBD).

d. The bidder is to submit verification that the subcontractor has been notified of the Apprenticeship Program Requirements.

10.6 The roles and responsibilities of the company and the unions with regards to the Office of Port Jobs Apprenticeship Opportunities Partnership ("AOP") shall be:

1. Provide information to Company staff for use with contractors on Apprenticeship Opportunities Partnership services and assistance.
2. Be available to make presentations on the Apprenticeship Opportunities Partnership at pre-construction conferences and other meetings as needed.
3. Coordinate the recruitment and referral of apprenticeship applicants with community-based organizations and apprenticeship program coordinators.
4. Recruit and refer eligible and qualified candidates to appropriate apprenticeship opportunities to assist the Company meets its goals for apprenticeship.

To the extent the Employer and its subcontractors, despite reasonable efforts, are unable to meet the objectives and requirements set forth in this Article X through use of craft employees represented by any Union signatory, the Employer and its subcontractors shall be allowed to recruit from any other source and such recruits will have seven (7) days to join the applicable Local Union. The applicable Local Union is required by law to accept these new members.

ARTICLE XI PAY-DAY

11.1 In accordance with applicable local collective bargaining agreement.

11.2 Lay-off is pay off.

ARTICLE XII CRAFT JURISDICTIONAL AND JURISDICTIONAL DISPUTES ADJUSTMENT

It is the desire of the parties hereto to provide, establish, and put into practice effective methods for the settlement of jurisdictional misunderstanding or jurisdictional disputes which may arise under this agreement on the site without strike, lockout, work stoppage or slowdown to the end that all parties shall be assured of continuity of operation and continuity of employment in order that harmonious relations will be maintained.

The employer or any of its subcontractors, at whatever tier, who is performing construction work at the site of the Project shall comply fully with this article.

Before making work assignments, the Employer shall determine first whether a previous decision or agreement of record covering the work exists. If there is no decision or agreement of record, then the Employer shall determine if an appropriate or applicable agreement between the crafts exists. If no agreement exists, the Employer shall then consider the established trade practice and prevailing practice in the locality. Locality is defined as the Seattle/King County Building and Construction Trades geographical jurisdiction. The Employer will then assign the work accordingly.

The Company and subcontractors will develop and schedule pre-assignment jurisdictional markup conference meetings with representatives of all of the signatory Unions and establish a time period during which the competing Unions can present evidence in support of their jurisdictional claims to the Company's site Construction Manager. In those cases not covered by a pre-job mark-up and where the involved Unions notify the Employer of a jurisdictional dispute over assigned work, then and in that event, the competing Unions will be given to less than two (2) regular work days' time to prepare and present jurisdictional claims for the work in question. When the Employer becomes aware of any item that is not specifically covered by agreement between the affected trades, then the Employer will immediately make the interested Unions aware of this specific item of work and allow the Unions at least two (2) regular work days to resolve the dispute. These time limits may be extended by mutual agreement, but in no event will work be held up due to ongoing jurisdictional claims.

The Employer and its subcontractors have the obligation of presenting to the Unions all of the pertinent data, drawings, specifications or descriptions that are available at the time of the jurisdictional mark-up. If the signatory Unions are unable to reach agreement as a result of the pre-job mark-up, then after the time limits have expired, the Employer shall make clear assignment of the disputed work. Any continuing jurisdictional disputes must be resolved in accordance with the plan for the settlement of jurisdictional disputes in the construction industry through latest amendment in effect at the time of this Agreement.

In any event there will be no strike of any type, including sympathy strikes, lockouts, work stoppages or slowdowns or other interferences with the work because of jurisdictional disputes.

Work shall be assigned by the Employer in accordance with the procedural rules of the plan for the settlement of jurisdictional disputes in the construction industry and if not

resolved between the Unions, it shall be referred for resolution to the International Unions with which the disputing Unions are affiliated. The resolution of the disputes shall be reduced to writing, signed by representatives of the International Unions, and the Employer will abide by the resolution. The disputed work shall continue as assigned by the Employer, until the dispute has been resolved without consequence of retroactive pay or penalty of any form.

ARTICLE XIII WORK RULES

13.1 Employment begins and ends at the jobsite.

13.2 The selection of craft foreman and general foreman shall be in accordance with applicable local collective bargaining agreements.

13.3 Employees shall be at their place of work at the designated starting time and shall remain at their place of work until the designated quitting time. Place of work shall mean gang boxes, change shacks or other designated tool storage areas or at assigned equipment. Employees shall remain on the Project and at their place of work through the work day except during breaks and lunch, at which time employees may access vending areas or snack trucks.

13.4 There shall be no limit on production by workmen nor restrictions on the full use of tools or equipment. Craftsmen using tools shall perform any of the work of the trade and shall work under supervision of craft foremen. There shall be no restrictions on efficient use of manpower other than as may be required by safety regulations: provided, however, legitimate manning practices that are a part of national and/or local agreements shall be followed.

13.5 Security procedures for control of tools, equipment and materials are solely the responsibility of the Employer and/or its subcontractors. Employees having any company property or property of another employee in their possession without authorization are subject to immediate discharge. The Employer will be responsible for the establishment of reasonable security measures for the protection of personal, company and client property.

13.6 Slowdowns, standby crews and featherbedding practices will not be tolerated.

13.7 Specialized equipment may be installed, adjusted, tested and serviced by the Company or Employer's employees, agents, or representatives prior to the occupancy of the Project.

ARTICLE XIV MISCELLANEOUS PROVISIONS

14.1 All inspection of incoming shipments of equipment, machinery and construction materials of every kind shall be performed at the sole discretion of the Company or Employer by persons of their choice.

14.2 The Company or Employer shall have the right to have equipment, apparatus, machinery and construction materials of every kind delivered to the jobsite by persons of their choice except as otherwise set out herein.

14.3 The Company or Employer shall have the right to test, operate, maintain, remove and replace all equipment, apparatus or machinery installed, or to be used in connection with such installation, on the work site with employees, agents or representatives of the Company or Employer, who shall work under the direct supervision of the Company, as applicable, if such supervision is deemed desirable. Employees covered by Section 14.1, 14.2 and 14.3 are not covered by this agreement.

14.4 All foremen and superintendents shall have the authority and responsibility to terminate any construction employee working under their supervision who fails to satisfactorily, competently and diligently perform his assigned duties.

14.5 Subject to the grievance procedure herein, the Employer shall have the right to terminate any construction employee who in its opinion fails to satisfactorily, competently, professionally and diligently perform his assigned work, and to refuse to rehire such individual. Each termination slip shall show reason for discharge.

14.6 All employees shall be subject to substance screening and testing procedures set forth within the Project's developed safety and insurance programs and substance screening program (Article XXIII). Any employee who reports for work under the influence of alcoholic beverages or uses non-prescribed drugs on the jobsite, or who reports to the jobsite with alcoholic beverages or non-prescribed drugs shall be subject to immediate termination.

14.7 Any employee who willfully damages the work of any other employee, or any material, equipment, apparatus, or machinery shall be subject to immediate termination.

14.8 In the interest of the future of the construction industry in the Seattle area, of which labor is a vital part, and to maintain the most efficient and competitive posture possible, the Unions pledge to work with management on this Project to produce the most efficient utilization of labor and equipment in accordance with this Agreement.

ARTICLE XV SAFETY, HEALTH AND SANITATION

15.1 The Employer, the Employer's subcontractors and their respective employees shall comply with all applicable provisions of State and Federal laws and regulations

including the Occupational Safety and Health Act of 1970 as amended, relating to job safety and safe working practices. The Company or Employer shall have the right to make emergency safety repair with any available employees.

15.2 The Employer or its subcontractors shall provide a convenient and sanitary supply of drinking water, cooled in the summer months, and sanitary drinking cups.

15.3 The Employer or its subcontractors shall provide adequate sanitary toilet facilities, water, and clean up facilities for the employees.

15.4 The Employer or its subcontractors shall provide a safe place for storage of tools and facilities ventilated and heated for changing clothes.

15.5 Violators of the Project Safety Program will be subject to termination for cause with the same conditions for rehire as established in Article VIII.

15.6 All required safety equipment shall be provided by Employer or its subcontractors.

ARTICLE XVI PROTECTION OF PERSONAL PROPERTY

The protection of personal property shall be in accordance with the applicable local agreement of the Employer.

ARTICLE XVII NO STRIKE - NO LOCKOUT

17.1 During the term of this Agreement there shall be no strikes of any type including sympathy strikes, picketing, work stoppage, slow downs or other disruptive activity for any reason by the Union, its applicable Local Union or by any employee, and there shall be no lockout by the Contractor. Failure of any Union, Local Union or employee to cross any picket line established at the Project site is a violation of this Article.

17.2 The Union and its applicable Local Union shall not sanction, aid or abet, encourage or continue any work stoppage, strike, picketing or other disruptive activity at the Contractor's project site and shall undertake all reasonable means to prevent or to terminate any such activity. No employee shall engage in activities which violate this Article. Any employee who participates in or encourages any activities which interfere with the normal operation of the Project shall be subject to disciplinary action, including discharge, and if justifiably discharged for the above reasons, shall not be eligible for rehire on the Project for a period of not less than ninety (90) days.

17.3 Neither the Union nor its applicable Local Union shall be liable for acts of employees for which it has no responsibility. The International Union, General Presidents or Presidents will immediately instruct, order and use the best efforts of his office to cause the Local Union or Unions to cease any violations of this Article. An International Union complying with this obligation shall not be liable for unauthorized acts of its Local Union. The principal officer or officers of a Local Union will immediately instruct, order and use the best efforts of his office to cause the employees the Local Union represents to cease any violations of the Article. A Local Union complying with this obligation shall not be liable for unauthorized acts of employees it represents. The failure of the Contractor to exercise its right in any instances shall not be deemed a waiver of its right in any other instance.

17.4 In the event of any work stoppage, strike, picketing or other disruptive activity in violation of this Article, the Contractor may suspend all or any portion of the Project work affected by such activity at the Contractor's discretion and without penalty.

17.5 There shall be no strikes of any type, including sympathy strikes, picketing, work stoppages, slowdowns or other disruptive activity affecting the Project site during the term of this Agreement. Any Union or Local Union which initiates or participates in a work stoppage in violation of this Article, or which recognizes or supports the work stoppage of another Union or Local Union which is in violation of the Article, agrees as a remedy for said violation, to pay liquidated damages in accordance with Section 17.6.

17.6 In lieu of, or in addition to, any other action at law or equity, any party may institute the following procedure when a breach of this Article is alleged, after the Union(s) and/or Local Union(s) has been notified of the fact.

a. The party invoking this procedure shall notify who the parties agree shall be the permanent Arbitrator under this procedure. In the event the permanent Arbitrator is unavailable at any time, he shall appoint his alternate. Notice to the Arbitrator shall be by the most expeditious means available, with notice by facsimile, telegram or any other effective written means, to the party alleged to be in violation and the involved International Union President and/or Local Union.

b. Upon receipt of said notice, the Arbitrator named above shall set and hold a hearing within twenty-four (24) hours if it is contended that the violation still exists.

c. The Arbitrator shall notify the parties by facsimile, telegram or any other effective written means of the place and time he has chosen for this hearing. Said hearing shall be completed in one session. A failure of any party or parties to attend said hearing shall not delay the hearing of evidence or issuance of an Award by the Arbitrator.

d. The sole issue at the hearing shall be whether or not a violation of this Article or Article VIII has in fact occurred. The Award shall be issued in writing within three (3) hours after the close of the hearing, and may be issued without an Opinion. If any party desires an Opinion, one shall be issued within fifteen (15) days, but its issuance shall not

delay compliance with, or enforcement of the Award. The Arbitrator may order cessation of the violation of this Article, and such Award shall be served on all parties by hand or registered mail upon issuance.

e. Such Award may be enforced by any court of competent jurisdiction upon the filing of this Agreement and all other relevant documents referred to herein above in the following manner. Facsimile or expedited mail or personal service of the filing of such enforcement proceedings shall be given to the other party. In the proceeding to obtain a temporary order enforcing the Arbitrator's Award is issued under Section 17.6 of this Article, all parties waive the right to a hearing and agree that such proceedings may be ex parte. Such agreement does not waive any party's right to participate in a hearing for a final order of enforcement. The Court's order or orders enforcing the Arbitrator's Award shall be served on all parties by hand or by delivery to their last known address or by registered mail.

f. Any rights created by statute or law governing arbitration proceedings inconsistent with the above procedure, or which interfere with compliance therewith, are hereby waived by parties to whom they accrue.

g. The fees and expenses of the Arbitrator shall be borne by the party or parties found in violation, or in the event no violation is found, such fees and expenses shall be borne by the moving party.

h. If the Arbitrator determines that a work stoppage has occurred in accordance with Section 17.6.d. above, the Union(s) and its applicable Local Union shall, within eight (8) hours of receipt of the Award, direct all of the employees they represent on the Project to immediately return to work. If the trade involved does not return to work by the beginning of the next regularly scheduled shift following receipt of the Arbitrator's Award, and the Union(s) and/or its applicable Local Union have not complied with Section 17.3 of this Article, then the Union and/or the Local Union shall pay the sum of ten thousand dollars (\$10,000.00) as liquidated damages to the Company, and shall pay an additional ten thousand dollars (\$10,000.00) per shift for each shift thereafter on which the trade has not returned to work. The Arbitrator shall retain jurisdiction to determine compliance with this section and Section VIII of this Article.

17.7 The procedures contained in Sections 17.6 through 17.6.h. shall be applicable to alleged violations of this Article and Article VIII. Disputes alleging violation of any provision of this Agreement, including any underlying disputes alleged to be in justification, explanation or mitigation of any violation of this Article, shall be resolved under the grievance adjudication procedures of Article XIX.

ARTICLE XVIII
UNION SECURITY

Per applicable local collective bargaining agreement.

ARTICLE XIX GRIEVANCE PROCEDURE

19.1 In the event that a dispute, grievance, difference or interpretation occurs, the following procedure shall be followed:

19.2 A grievance is defined as an alleged violation of the terms and conditions of this Agreement: In the event that a grievance arises during the life of the Agreement it shall be processed according to the following procedure.

19.3 Within ten(10) calendar days after the first occurrence of the action of the Employer or the Union, or other situation or condition giving rise to the grievance, the aggrieved employee, or employer shall present the grievance to the Employer's designated representative, or to the Union representative of the craft involved.

19.4 If no satisfactory settlement is reached under paragraph 19.3 within three (3) working days, a representative of the Union of the craft involved or the Employer shall present the grievance in writing to the other party within five (5) working days. The parties shall attempt to resolve the grievance within five (5) working days. The written grievance shall set forth the facts and specific provisions of this Agreement allegedly violated.

19.5 If a satisfactory settlement is not reached under paragraph 19.4 within five (5) working days, the grievance may be referred to arbitration. The grieving party shall request a list of seven (7) local arbitrators from the Federal Mediation and Conciliation Service. The parties shall alternative strike names from the list until only one name remains and that person shall serve as the Arbitrator. The selected Arbitrator shall hold a hearing and render a decision as promptly as possible. The decision of the Arbitrator shall be final and binding. The Arbitrator's fee and expenses shall be shared equally between the parties.

19.6 The failure of a party to respond in a timely manner at any stage, or a non-response, shall be considered a rejection of the grievance. Settled or withdrawn grievances shall not establish a precedence.

19.7 The Arbitrator shall have no authority to change, amend or modify any provision of this Agreement.

19.8 The time limits referred to in this Article shall be strictly adhered to, but may be waived by mutual agreement of the parties in writing. It is the intent of the parties that all procedures set forth in this article shall be complied with as expeditiously as practicable.

19.9 The term "Union" refers to the involved craft union and the Seattle/King County Building and Construction Trades Council.

ARTICLE XX GENERAL SAVINGS CLAUSE

If any article or provisions of this Agreement shall be declared invalid, inoperative or unenforceable by any competent authority of the executive, legislative, judicial or administrative branch of the Federal or any State government, the Company or the Employer and the Union shall suspend the operation of such article or provision during the period of its invalidity and shall substitute, by mutual consent, in its place an article or provision which will meet the objections to its validity and which will be in accord with the intent and purpose of the article or provision in question.

If any article or provision of this Agreement shall be held invalid, inoperative or unenforceable by operation of law or by any of the above mentioned tribunals of competent jurisdiction, the remainder of this agreement or the application of such article or provision to persons or circumstances other than those as to which has been held invalid, inoperative, or unenforceable shall not be affected thereby.

ARTICLE XXI TERMS OF AGREEMENT

This Agreement shall become effective on the _____ day of _____, 1999, and shall continue until the Ellington Project is completed. First & Broad, LLC shall build the North and South Towers and the Parking Garage of The Ellington Project under the terms of this Project Labor Agreement.

Western & Broad, LLC has not committed to building the Western & Broad Project. However, should Western & Broad, LLC or any entity owned by Intracorp Real Estate, LLC build on the Western & Broad property within four years from the effective date of this Project Labor Agreement, on-site construction work on Western & Broad site will be under the terms of this Project Labor Agreement.

ARTICLE XXII WAGE SCALES AND FRINGE BENEFITS

In consideration of the desire of the Company and the Employer, and the Union for all construction work to proceed efficiently and economically and with due consideration for protection of labor standards, wages and working conditions, all parties agree that:

22.1 The wage rates to be paid all laborers, workers and mechanics covered by this agreement shall be in accordance with the applicable local agreement. This requirement

applies to laborers, workers and mechanics, whether they are employed by Employer, subcontractor, sub-subcontractors, or any other person who performs a portion of the work contemplated by this Agreement and who is covered by the terms hereof.

ARTICLE XXIII
DRUG FREE WORKPLACE

The parties to this Agreement agree to implement a Drug Free Workplace Policy and Program for the duration of this Agreement Such Program to include a Third Party Administrator (TPA), and Employee Assistance Program (EPA), and an initial test and annual retest "Clean Card" program all in accordance with SAMHSA* certification and mutually agreed Policy and Program requirements. Drug testing coordination and testing costs shall be by the Company and its subcontractors.

*Substance Abuse and Mental Health Services Administration (Washington, D. C.)

First and Broad, LLC

Karen Anderson-Bittenbender

Seattle/King County Building
and Construction Trades Council

Western and Broad, LLC

Karen Anderson-Bittenbender

Seattle Labor Temple Associaton

SIGNATORY UNIONS

Int'l Association of Heat & Frost
and Asbestos Workers Local Union 7

International Brotherhood of
Electrical Workers Local 46

Boilermakers Local 502

Elevator Constructors Local 19

Bricklayers Local 1

Glaziers & Glassworkers Local 188

Pacific Northwest District Council
of Carpenters

Iron Workers Local 86

Carpet, Linoleum & Soft Tile Layers
Local 1238

Cement Masons Local 528

Hod Carriers and General Laborers
Intl. Union Local 242

Street Pavers, Sewers Water-
man and Tunnel Workers Intl
Union Local 440

Sheet Metal Workers Local 66

Sprinkler Fitters Local 699

Operating Engineers Local 302

Teamsters Local 174

Painters District Council

Roofers Local Union 54

Sign Painters Local 1094

Plasterers Local 77

Plumbers & Pipefitters Local 32

ADDENDUM
TO THE
ELLINGTON AND WESTERN & BROAD L.L.C.
PROJECT LABOR AGREEMENT

This Agreement shall serve as an Addendum to the Ellington and Western & Broad L.L.C. Project Labor Agreement (PLA). The conditions of this Addendum shall be binding upon all parties signatory to the aforementioned PLA.

This Addendum shall address the following exclusions as outlined in Article 3., Section 3.6 of the Project Labor Agreement.

Telephone and Cable TV wiring and installation of such systems shall not be exempt from this Agreement and shall be performed by contractors and/or subcontractors that meet all terms and conditions of this Project Labor Agreement. Such contractors and subcontractors must be eligible and shall become signatory to this Project Labor Agreement.

Chris Ross, Construction Manager
INTRACORP

Jack Gilchrist, Executive Secretary
SEATTLE/KING COUNTY
BUILDING & CONSTRUCTION
TRADES COUNCIL

NOVEMBER 17, 1999
Date

NOVEMBER 17, 1999
Date