

Item No.	4d_attach 4
Date of Meeting	November 22, 2016

November __, 2016

Des Moines Creek Business Park Phase 1, LLC
c/o Development Manager
Panattoni Development Company, Inc.
6840 Fort Dent Way, Suite 350
Seattle, Washington 98188
Attn: Bart Brynestad

**Re: Cost Reimbursement for Water Line Relocation at Des Moines Creek
Business Park Phase 1 (the “Property”)**

Ladies and Gentlemen:

The Port of Seattle (the “Port”), as Landlord, and Des Moines Creek Business Park Phase 1, LLC (“Tenant”), as Tenant, entered into that certain Ground Lease Agreement dated as of April 30, 2015 (as amended from time to time, the “Ground Lease”). Tenant has asked the Port to consent to an assignment of the Ground Lease and a release of Tenant from liability under the Ground Lease upon the assignment and assumption of the Ground Lease by Tenant’s prospective purchaser. The Port has agreed to consent to the assignment and release Tenant from liability thereunder upon the condition that Tenant pay the sum of One Hundred Forty Thousand and no/100 Dollars (\$140,000.00) (“Reimbursement”) to the Port to defer the cost to the Port of moving a water line located on the adjacent property owned by the Port, and Tenant has agreed to pay such reimbursement. At Tenant’s request the Port entered into a utility easement with the Highline Water District (the “Water Line Easement”) to locate a water line to serve the Property. A true and correct copy of the Water Line Easement is attached hereto as Exhibit A and incorporated herein by reference. Tenant installed the water line in accordance with the Ground Lease for the development of the Property. Port wants to improve the adjacent property that is subject to the Water Line Easement and will need to relocate the water line within the Water Line Easement. The parties have agreed to share the cost of the relocation and Tenant has agreed to pay to the Port the Reimbursement set forth herein. Tenant shall deposit the Reimbursement to the Port into the escrow for the sale and assignment of the Ground Lease. Tenant’s escrow instructions for said sale and assignment shall include an instruction for release of the Reimbursement to the Port upon closing of the sale and assignment of the Ground Lease and related improvements to Tenant’s purchaser. The Port will be responsible for all work (including any planning and permits) in connection with relocating the water line and all actual costs of the

relocation of the water line. For the avoidance of doubt, Tenant's payment of the Reimbursement shall fully satisfy any and all obligations of Tenant, whether arising under the Ground Lease, the Water Line Easement or otherwise, with respect to the relocation of the water line.

All notices and other communications which are required to be, or which may be given under this agreement shall be in writing, and shall be delivered at the addresses set out below. Notice may be given by personal delivery, recognized overnight courier, by United States mail or by facsimile transmission in the manner set forth below. Notice shall be deemed to have been duly given (a) if by personal delivery, on the first to occur of the date of actual receipt or refusal of delivery by any person at the intended address, (b) if by overnight courier, on the first (1st) Business Day after being delivered to a recognized overnight courier, (c) if by mail, on the second (2nd) Business Day after being deposited in the United States mail, certified or registered mail, return receipt requested, postage prepaid, or (d) by facsimile transmission shall be deemed to have been given on the day and at the time transmitted, as evidenced by the confirmation slip generated by the sender's facsimile machine addressed as follows:

To Tenant::
Des Moines Creek Business Park Phase 1, LLC
c/o Panattoni Development Company, Inc.
900 SW 16th Street, Suite 330
Renton, Washington, 98057
Attention: Mr. Bart Brynstad
Telephone: (206) 248-0555
Facsimile: (206) 248-0044

With a copy to:
Haight, Brown & Bonesteel, LLC
2485 Natomas Place Drive., Suite 450
Sacramento, California 95833
Attention: Robert D. Collins
Telephone: (916) 702-3200
Facsimile: (916) 702-3230

Port:
Port of Seattle
Street address for Aviation Division:
17801 International Blvd. (Pacific Highway S.)
Seattle, Washington 98158

Mailing address for Aviation Division:
P.O. Box 68727
Seattle, Washington 98168

Attention: Aviation Property Manager
Telephone: (206) 787-6624
Facsimile: (206) 787-4985

This agreement shall be construed and enforced in accordance with the laws of the State of Washington. In the event either party requires the services of an attorney in connection with enforcing the terms of this License, the prevailing party shall be entitled to a reasonable sum for attorneys' fees, witness fees and other court costs and expenses, both at trial and on appeal.

This letter sets forth all covenants, promises, agreements, conditions and understandings between the Port and Tenant concerning the relocation of the water line and reimbursement therefore. No subsequent alteration, amendment, change or addition to this agreement shall be binding upon the Port or Tenant unless reduced to writing and signed by Tenant and the Port.

Please countersign and return the enclosed duplicate original of this agreement.

Sincerely,

PORT OF SEATTLE

By: _____
Name: _____
Title: _____

Agreed and accepted this ___ day of October, 2016:

DES MOINES CREEK BUSINESS PARK PHASE 1, LLC,
a Delaware limited liability company

By: Des Moines Creek Business Park, LLC,
a Delaware limited liability company,
Sole Member

By: PDC DMCBP, LLC,
a Delaware limited liability company,
Managing Member

By: PDC Seattle LLC,
a Delaware limited liability company,
Manager

By: _____
Bart Brynestad, Local Partner