



RECEIVED

APR 19 2016

950 Pacific Avenue, Suite #1025, Tacoma, WA 98402

VIA PERSONAL DELIVERY AND CERTIFIED MAIL

April 19, 2016

Port of Tacoma
One Sitcum Way (98421)
PO Box 1837
Tacoma, WA 98401
Attention: Lou Paulsen

Re: Notice of Lease Termination

Dear Lou:

Northwest Innovation Works, Tacoma, LLC (NWIW) hereby notifies you that it is terminating the Lease between the Port of Tacoma and NWIW dated May 1, 2014 (the "Lease") pursuant to paragraph 3.3.3 of the Lease. This notice of termination is effective immediately.

Pursuant to paragraph 3.3.4 of the Lease, the Feasibility Period Termination Fee is \$1,464,000 (\$1,800,000 - \$336,000 total Feasibility Period Fees paid). NWIW proposes to make that payment by wire transfer on or before April 29, 2016. As we discussed, NWIW will require your agreement to return the standby letter of credit for cancellation and a release effective upon payment of the termination fee.

Enclosed is our proposed form of Payoff and Termination Letter, together with a separate instruction letter to the letter of credit bank. If this form is acceptable, please include your wire information, execute the Payoff and Termination Letter and pdf the signed letter to us and our counsel (Mark Morford, mark.morford@stoel.com). Upon receipt of the wire transfer, please execute the letter to the bank on your letterhead and return that letter (together with the original letter of credit) to us.

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Thank you again for working with us on this project. We wish you success in finding a another strong tenant for this land.

Very truly yours,

A handwritten signature in black ink, appearing to read "Murray V. Godley, III". The signature is stylized with a prominent initial "M" and a long, horizontal stroke extending to the right.

Murray V. Godley, III