SEABROOK

September 20, 2016

Pacific Ridge Development Company, LLC
211 E. Carrillo Street, #204
Santa Barbara, CA 93101

RE: Demolition Agreement and Net Lease – November 30, 2015

Dear Mr. Boswell:

Reference is made to that certain Demolition Agreement and Net Lease, ("Agreement") dated November 30, 2015 between Pacific Ridge Development Company as Landlord, and the City of Seabrook, Tenant. As provided by the terms Extension Rider ("Rider") of even date incorporated in the Agreement, the City of Seabrook is exercising its right to extend the term for an additional (4) 3-month extensions, as provided by such Rider ("1st Extension"). The City, despite good faith and diligent efforts has been unable to accomplish the Permitted Use within the then Term, and envisions and provides notice of the need for further extensions as provided in the Rider. The City continues to maintain commercial general liability insurance as provided by the Rider. Should you require anything further, please address to the undersigned.

Sincerely,

Gayle Cook

Gayle Cook
City Manager

1700 First Street, Seabrook TX 77586 281.291.5600 ph 281.291.5690 fax www.ci.seabrook.tx.us