AGREEMENT TO GRANT EASEMENT

WHEREAS, City owns certain real property located at 6343 NE 65th Street, Seattle, Washington (the "City Property") and is entering into this Agreement in its proprietary capacity as the owner of the City Property;

WHEREAS, University owns certain real property immediately adjacent to the City Property (the "University Property");

WHEREAS, City has leased the City Property to Lessee, pursuant to that certain ground lease dated January 7, 2020 (the "**Ground Lease**"), and Lessee is developing a cottage community on the City Property (the "*Project*");

WHEREAS, in connection with the Project, Lessee desires to construct, install, and maintain certain underground sewer lines and related improvements (the "Sewer Improvements") over, under, upon and across a portion of the University Property;

WHEREAS, University is willing to grant a sewer easement on the terms and conditions set forth below.

NOW, THEREFORE, the parties agree as follows:

- 1. <u>Grant of Easement</u>. Simultaneously herewith, University will grant City a sewer easement (the "**Easement**") for purposes of the construction, installation, maintenance, repair, and replacement of the Sewer Improvements, in the form attached hereto as <u>Exhibit A</u>.
- 2. <u>Payment to University</u>. University agrees that Lessee may promptly record the Easement. Lessee will be <u>responsible</u> for all costs of recording the Easement. Prior to the recording of the Easement, Lessee shall pay to University the amount of \$10,000.
- 3. <u>Costs.</u> Lessee shall bear and properly pay all costs and expenses associated with installing the Sewer Improvements and connecting to University's sanitary sewer main line located on the UNIVERSITY Property as well as all other City costs under the Easement, including but not limited to any share of the repair, maintenance and replacement costs of the University's sanitary sewer main.
- 4. <u>Indemnification</u>. Lessee hereby agrees to be responsible for injury to persons or property resulting from negligence on the part of Lessee, its employees, its agents, or its officers, in connection with Lessee's installation, maintenance, repair and use of the Easement; provided, this Agreement is not intended to create any right of <u>action</u> in any third party against any party to this Agreement. Lessee shall indemnify, protect, defend and hold University and City harmless from and against any and all damages, losses, costs, expenses (including attorney's fees) and liabilities arising from Lessee's installation,

maintenance, repair or use of the Easement or connection of the Sewer Improvements to University's main sewer line.

- 5. <u>Termination</u>. This Agreement shall automatically terminate upon the expiration or termination of the Ground Lease, and/or the terms of the Easement Agreement for Sanitary Sewer Main Line and upon such termination, the parties hereto shall have no further rights or obligations under this Agreement.
- 6. <u>Miscellaneous Provisions</u>. This Agreement shall inure to the benefit of and shall be binding upon the respective heirs, successors, personal representatives and assigns of the parties hereto. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. Venue for any action brought upon this Agreement shall be in the Superior Court for King County, Washington. Time shall <u>be</u> of the essence as to this Agreement. This Agreement may be executed in one or more counterparts.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the date first set forth above.

| CITY: | | UNIVERSITY: |
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| CITY (| OF SEATTLE | BOARD OF REGENTS OF THE UNIVERSITY OF WASHINGTON |
| Name | :: | By: Jeanette Henderson Executive Director of Real Estate |
| LESSE | E: | |
| SP CO | TTAGES LLC | |
| • | Low Income Housing Institute (LIHI) Manager | |
| Ву: | | |
| | Sharon H. Lee | |
| | Executive Director | |

EXHIBIT A

FORM OF SEWER EASEMENT

(See Attachment 1 to this ordinance)