

FIRST AMENDMENT TO SETTLEMENT AGREEMENT
Village at Harbor Hill

This First Amendment to Settlement Agreement (this "**Amendment**") is made and entered into by and between Harbor Hill LLC, a Washington limited liability company ("**Harbor Hill**") and the City of Gig Harbor, a Washington municipal corporation ("**City**") in order to amend and modify that certain Settlement Agreement (Village at Harbor Hill) executed by the Parties as of August 25, 2020 (the "**Settlement Agreement**") on the terms and conditions set forth herein.

For good and valuable consideration, the Parties hereby agree as follows:

1. **Extension of Deadline for Final Amendment Date.** Paragraph 3 of the Settlement Agreement is deleted in its entirety, and the following is substituted in its place:

3. **Dismissal.** Harbor Hill shall be obligated to dismiss the Lawsuit when, and only when, the Project Amendments have been formally adopted by the City, and any associated appeal period has lapsed without any appeal being filed; or, in the event that any such appeal is filed, the issuance of a final order by a court or tribunal of competent jurisdiction upholding the Project Amendments which is not subject to further appeal (referred to herein as the "**Final Amendment Date**"). If the condition precedent stated in this Section 3 is not fulfilled on or before July 1, 2021, and the Parties have not agreed in writing to an extension of this date, this Agreement shall terminate automatically and the Parties may proceed to litigate the Lawsuit or discuss alternate means of resolving the Dispute. Otherwise, within fifteen (15) business days of the Final Amendment Date, Harbor Hill shall file with the applicable court a dismissal of the Lawsuit with prejudice.

2. **Reaffirmation of Settlement Agreement.** The Parties reaffirm and incorporate herein the terms and conditions of the Settlement Agreement, except as specifically amended or modified herein. All terms defined in the Settlement Agreement shall have the same meaning in this Amendment.

3. **Counterparts.** This Amendment may be executed in one or more separate counterparts (including by electronic signature [such as DocuSign], email, scanned .pdf document or facsimile delivery), and all of the counterparts shall constitute one and the same agreement.

The Parties have executed this Amendment and agreed to the terms above on the last date set forth below.

[Signatures follow.]

HARBOR HILL LLC,
a Washington limited liability company

CITY OF GIG HARBOR,
a Washington municipal corporation

DocuSigned by:
Jon Rose
E2556CC7A320495
By: _____
Name: Jon Rose
Its: Vice President
Date: 12/23/2020

By: Kit Kuhn
Name: Kit Kuhn
Its: Mayor
Date: 12-28-20

ATTEST:

DocuSigned by:
Josuna Stecker 12/28/2020
A98B05D888E7409
City Clerk

APPROVED AS TO FORM:

Jim E. Haney
Jim Haney, Attorney for the City