

September __, 2014

VIA EMAIL AND FED EX

Bruce E. Judson
First American Title Insurance Company
818 Stewart Street, Suite 800
Seattle, WA 98101

Re: Escrow Instructions for the contemplated transaction between Tacoma Community Redevelopment Agency, the City of Tacoma, Arthur B. Malman Trustee of the Urban Securities, Inc. Profit Sharing Plan Trust, Pantages Associates Limited Partnership, Pantages Institute and the Pantages Center

Dear Mr. Judson:

This letter constitutes escrow instructions (“**Escrow Instructions**”) to First American Title Insurance Company (“**Title Company**”) on behalf of Tacoma Community Redevelopment Agency, formerly known as the Municipal Authority (“**MA**”), the City of Tacoma (“**City**”), Arthur B. Malman Trustee of the Urban Securities, Inc. Profit Sharing Plan Trust (“**UST**”), Pantages Associates Limited Partnership (“**Partnership**”), Pantages Institute (“**PI**”) and the Pantages Center (“**Center**”) (collectively, the “**Parties**”).

I. **TRANSACTION**

These instructions relate to the following contemplated transaction:

MA currently owns fee title to that property legally described in that Commitment for Title Insurance, File No. NCS-677015-WA1, with a Commitment Date of July 11, 2014 (“**Title Commitment**”), along with all improvements and tangible property thereon (“**Premises**”). The Parties are in the process of terminating and removing all agreements and instruments in connection with two private investors (UST and the Partnership) that are encumbering the title of the Premises, while preserving PI’s agreement to operate the Premises. It is the intent of the Parties that all agreements in connection with the private investors and the Premises shall terminate on September 10, 2014 (“**Closing Date**”).

II. DEPOSITS

A. Documents to be Received By Title Company Prior to the Closing Date. Prior to the Closing Date, you should receive the following original documents executed (and notarized where appropriate) by the Parties (“**Closing Documents**”):

1. Five (5) original Sublease Termination Agreement;
2. Five (5) original Assignment and Assumption of Agreement of Operating Lease;
3. One (1) original Memorandum of Sublease Termination Agreement;
4. One (1) original Memorandum of Assignment and Assumption of Agreement of Operating Lease; and
5. Any other document(s) required by the Title Company in order to effectively clear from the title of the Premises the following documents:
 - a. Agreement of First Land Sublease and the Corrective Amendment thereto (Recording Nos. 8302090293 and 8307290302);
 - b. Agreement of Second Land Sublease and the Corrective Amendment thereto (Recording Nos. 8302090294 and 8307290305);
 - c. Agreement of First Improvements Sublease and the Corrective Amendment (Recording Nos. 8302090295 and 8307290303);
 - d. Agreement of First Property Sublease and the Corrective Amendment thereto (Recording Nos. 8302090296 and 8307290304);
 - e. Assignment of Leases and Rents (Recording No. 8307290310);
 - f. Assignment of Leases and Rents (Recording No. 8307290309); and
 - g. Certain letter agreements (Recording Nos. 8310190216, 8310190215, 8310190218 and 8310190217).

B. Funds to be Received by Title Company from City Prior to the Closing Date. Prior to Closing Date, you should receive a wire deposit of funds into escrow in the amount of Three Million Two Hundred Ninety-Five and No/100 Dollars (\$3,295,000.00) (“**Funds**”).

III. AUTHORITY TO CLOSE

You are not authorized to distribute any documents or funds until you are prepared to take all actions required of you in these instructions and all of the conditions set forth in this letter have been fulfilled.

A. Conditions to Closing. The following are conditions which must be fulfilled before you have authority to distribute any documents or funds.

1. You must be committed to immediately take all actions required of you under Paragraph III.B below;
 2. Title Company must have received fully executed originals (as indicated above) of all the Closing Documents, acknowledged or notarized as appropriate, with all appropriate exhibits attached and any other documents necessary to carry out these instructions as well as received the Funds;
 3. All documents have been dated with no blanks;
 4. You are in the position to record, in the following order, (i) the Memorandum of Sublease Termination Agreement and (ii) the Memorandum of Assignment and Assumption of Agreement of Operating Lease (collectively, the “**Recordable Documents**”) in the Pierce County, Washington Auditor’s Office, such that all the documents listed in Paragraph II.A.5 above will be removed from title to the Premises.
 5. You have fully complied with the terms and conditions of these escrow instructions; and
 6. You have sent to the Parties by email at the email addresses listed in Paragraph IV below pdf copies of the fully executed Closing Documents.
- B. Required Actions. Upon the Closing Date and as long as you have not received any objection by any of the Parties, you must take each of the following actions in the following order:
1. Record the Recordable Documents in the Pierce County, Washington Auditor’s Office in the order specified in Paragraph III.A.4 above with instructions to return the same to the undersigned after recordation;
 2. Deliver the Funds by wire transfer to _____.
 3. Deliver electronically one (1) fully executed set of Closing Documents to each party at the email addresses listed in Paragraph IV below.
 4. Retain copies of those Closing Documents you deem necessary or desirable for yourself and distribute one (1) complete set of the original fully executed Sublease Termination Agreement, (1) complete set of the original fully executed Assignment and Assumption of Agreement of Operating Lease and one (1) copy of the fully executed Recordable Documents to the following parties at the address listed in Paragraph IV below:
 - i. City of Tacoma
 - ii. Tacoma Community Redevelopment Agency

- iii. Arthur B. Malman Trustee of the Urban Securities, Inc. Profit Sharing Plan Trust
- iv. Partnership
- v. PI

5. Distribute copies of one (1) complete set of the fully executed Closing Documents to the Center at the address listed in Paragraph IV below.

IV. MISCELLANEOUS INSTRUCTIONS

The Parties' addresses for delivery of the Closing Documents or any other notices that you may deliver in connection with these escrow instructions are:

Tacoma Community Redevelopment Agency

c/o _____

Email: _____

City of Tacoma

c/o _____

Email: _____

Pantages Associates LP

c/o Martin Major

Email: _____

The Urban Securities, Inc. Profit Sharing Plan Trust

c/o Arthur B. Malman, Trustee

Email: _____

Pantages Institute

c/o _____

Email: _____

The Pantages Center

c/o _____

Email: _____

PLEASE CONFIRM YOUR RECEIPT OF THE CLOSING DOCUMENTS AND THESE ESCROW INSTRUCTIONS AND YOUR AGREEMENT TO BE STRICTLY BOUND BY THE TERMS HEREOF BY SIGNING A COPY OF THIS LETTER IN THE PLACE INDICATED BELOW AND RETURN A COPY TO EACH OF THE PARTIES BY E-MAIL (AT THE E-MAIL ADDRESSES SET FORTH ABOVE). If you are uncertain as to your ability to comply with these instructions, or if you are unwilling or unable to do so, you should take no action other than to contact the Parties immediately for further instructions. These escrow instructions may be amended only by written instructions executed by the Parties

(which may be in the form of an e-mail). The Parties may cancel the closing and terminate the escrow at any time prior to closing upon written notice from the Parties.

If you have any questions about the above instructions, please don't hesitate to contact the undersigned at _____.

Sincerely,

cc: Parties (via email)

CONSENT AGREEMENT:

The Parties hereby consent and agree to the terms and conditions of this escrow letter:

Tacoma Community Redevelopment Agency, a public corporation

City of Tacoma, a municipal corporation of the state of Washington

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Pantages Associates Limited Partnership, an inactive Washington limited partnership

Arthur B. Malman, Trustee of the Urban Securities, Inc. Profit Sharing Plan Trust, a _____ trust

By: Urban Holding Corporation, its sole general partner

By: _____
Name: _____
Title: _____

By: _____
Name: Martin Major
Title: Executive Vice President

Pantages Institute, an active Washington nonprofit public benefit corporation

The Pantages Center, a _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

ACKNOWLEDGMENT AND AGREEMENT

The undersigned, an authorized agent for the Title Company, does hereby acknowledge receipt of the Closing Documents and the foregoing escrow instructions and agrees to act in strict accordance with the terms and conditions set forth therein.

ACKNOWLEDGED AND AGREED TO:

**FIRST AMERICAN TITLE
INSURANCE COMPANY**

By: _____
Its: Authorized Agent