

**Addendum to
City of Tacoma Department of Public Utilities Water Division
Real Estate Purchase and Sale Agreement No. 3108**

THIS Addendum is hereby incorporated into that certain Real Estate Purchase and Sale Agreement, dated September 13, 2016, by and between CITY OF TACOMA, Department of Public Utilities, Water Division (d.b.a. Tacoma Water) and Heritage Bank, a Washington state banking corporation ("Buyer") (collectively the "Parties");

W I T N E S S E T H

WHEREAS the Seller and the Buyer have executed the aforementioned Purchase and Sale Agreement, dated September 13, 2016 ("Agreement"), and

WHEREAS section 6.1 of the Agreement requires the Agreement to be approved by the Tacoma City Council and notice of such approval given to the Seller within 60 (sixty) days of the date of the Agreement or November 12, 2016.

WHEREAS the Seller needs additional time to obtain the approval of the Tacoma City Council and provide the required notice to the Buyer, and the Buyer does not object to granting the Seller additional time.

NOW, THEREFORE, in consideration of the mutual promises and obligations herein, the parties agree as follows:


1. The notice date required to be provided by Tacoma Water to the Buyer is amended from 60 (sixty) days to 120 (one hundred and twenty) days or January 11, 2017, from the date of the Agreement.
2. This Addendum may be signed in counterparts and assembled to form a complete addendum.

3. All other terms of the Agreement shall remain the same unless formally amended in writing upon mutual agreement of the Parties.

IN WITNESS WHEREOF, the Parties hereto have entered into this Addendum effective as of the 10th day of November, 2016.

SELLER


BUYER



William A. Gaines
Utilities Director/CEO



Lisa Banner
Executive Vice President –
Shared Services



Linda A. McCrea
Water Superintendent

Approved as to Form



Deputy City Attorney