

**WHATCOM COUNTY
EXECUTIVE'S OFFICE**
County Courthouse
311 Grand Ave. Suite #108
Bellingham, WA 98225



Satpal Singh Sidhu
County Executive

LETTER OF INTENT

COMMERCIAL REAL ESTATE LEASE

Date: October 17, 2025
To: Ryanna LLC (Rud Browne, CEO)
Address: 315 Sea Pines Rd. Bellingham WA 98229 [Landlord Address]
From: Satpal Singh Sidhu
Re: Letter of Intent for Lease of Premises at 4600 Ryzex Way, Bellingham, WA

The following terms and conditions will serve as evidence of the Parties' Intent to Lease the building at.

LESSOR: Ryanna LLC

LESSEE: Whatcom County

PREMISES: 4600 Ryzex Way
Bellingham, WA 9826
Whatcom County Assessor Parcel 3802013751410000
Legal Descriptions: PARCEL A CORDATA SPECIFIC BINDING SITE PLAN NO 19 AS REC
BOOK 2 BINDING SITE PLANS PG 88; AF3802013751410000

RENTABLE SF: Approximately 29,970 SF (100% of existing building)

Use: Government offices

Term The Lease Term shall commence November 1, 2025, or as soon thereafter as practicable, contingent upon approval by the Whatcom County Council on or about November 5, 2025. The term of this Lease shall be for ninety-eight (98) months ending December 31, 2033, unless earlier terminated pursuant to any provision of the final lease agreement.

The Rent Commencement Date shall be January 1, 2026.

The Tenant shall have two options to extend the Lease Term for additional periods of two (2) years ("Extension Term") under the same terms and conditions, as follows;

- First Lease Extension Term: January 1, 2034, to December 31, 2035
- Second Lease Extension Term: January 1, 2036, to December 31, 2037

This Letter of Intent is non-binding and contingent upon final approval by the Whatcom County Council. Both parties agree to negotiate in good faith to finalize a mutually acceptable Lease Agreement consistent with the following terms and conditions, and to resolve any outstanding matters (including responsibility for compliance with Washington State's Clean Building Performance Standards):

1. **Rental Rate:** The County shall be charged the same rental rate currently charged the Owner's existing tenant, with a starting monthly base rent of \$42,261, effective January 1, 2026.

2. **Rent Adjustments:** Annual rent increases will be 3.75% annually for the term of the Lease
3. **Property Modifications:** Owner agrees to the interior and exterior modifications requested by the County
4. **Furniture Donation:** Owner shall donate ~\$100,000 worth of high-quality office furniture to the Whatcom County Sheriff's Department (cubicles, desks, chairs, conference room tables, meeting chairs etc.)
5. **Parking:** The County may park of all County vehicle types, provided such use does not damage the parking lot beyond normal wear and tear
6. **Tenant Improvements:** The County may perform the Tenant Improvements discussed to date and will be described in the final lease agreement.
7. **Improvements by Owner:** Owner shall (a) modernize the current Elevator; (b) replace all the current HVAC chillers; and (c) refinish and restripe the parking lot as listed in Exhibit E to the Lease Agreement
8. **Free Rent Period:** Owner shall provide a 60-day rent-free period
9. **Security Deposit:** Owner will waive the requirement for a security deposit
10. **Payment Method:** Owner will allow County lease payments by checks instead of Electronic Payments.
11. **Late Charges:** Owner will waive any late charges between the commencement of the Lease and February 28, 2026
12. **Lease Term Extension Options:** Owner will provide two options to Extend the Lease on identical terms at the end of the initial Lease
13. **Purchase Option:** Owner will provide the County the opportunity to purchase the building in the future
14. **Expansion Opportunity:** Owner will provide the County the opportunity to expand to the adjacent site Whatcom County Assessor Parcel #3802013651600000

This proposal is non-binding and does not represent any contractual obligation or confer any legal rights upon either Party. A binding lease shall exist only upon the formal approval of the Whatcom County Council and full execution of a written Lease Agreement by both parties which shall serve as the definitive agreement between the Parties.

If these terms and conditions are acceptable, please indicate your approval by signing below and returning this original copy.

Acknowledged by: Satpal Singh, for the Lessee.
Satpal Singh Sidhu, Whatcom County Executive 10/17/2025

Acknowledged by: , for the Lessor.
Rud Browne, Ryanna LLC CEO 10/22/2025