

June 16, 2014

Dave Waggoner
Airport Director
Paine Field – Snohomish County Airport
3220 100th Street SW
Suite A
Everett, Washington 98204

RE: Paine Field (KPAE) Commercial Service

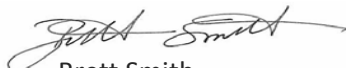
Dear Dave,

Thank you for taking time to meet and discuss Paine Field. Propeller is excited at the prospect of working with the Airport, the County and the Community to develop commercial passenger air service at KPAE.

Therefore, we request the opportunity to enter into negotiations with Snohomish County for a ground lease to build and operate a terminal and parking facility, consistent with the Federal Aviation Administration's Record of Decision reached on December 4, 2012.

As I am sure you can appreciate, time is of the essence. Thus we would like to begin discussions with the County regarding our proposal within the next 30 days. Please advise us as to next steps at your earliest possible convenience.

Regards,



Brett Smith
Chief Executive Officer

cc: Dave Somers (Chairman, Snohomish County)