

PROVIDENCE POINT P.U.D AGREEMENT
REGARDING SALES AND RENTALS
TO LOW INCOME AND MODERATE INCOME PURCHASERS
AND DECLARATIONS OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS AGREEMENT is made this 18th day of December, 1983, by and between SWANSON-DEAN CORPORATION, a Washington corporation, and KING COUNTY, acting through its Building and Land Development Division and Housing and Community Development Division ("County"), regarding real property legally described in Exhibit A.

RECITALS

A. The County has given preliminary approval to a Planned Unit Development ("P.U.D.") proposed by SWANSON-DEAN CORPORATION called Providence Point, which will involve the construction of a retirement community in a series of phases.

B. The purpose of this Agreement is to set forth the unique character of Providence Point and to establish the method for obtaining compliance with the Low Income and Moderate Income Housing Requirement in the preliminary P.U.D. approval. Both parties desire that the method for demonstrating compliance with this Low Income and Moderate Income Housing Requirement should impose minimal administrative cost and expense and should be based on criteria that enable the Developer to determine reliably the

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Name Housing & Community Development

Address 1718 Smith Tower Bldg

Seattle, WA 98104

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present and future impact of the Low Income and Moderate Income Requirement on Providence Point.

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C. Providence Point is being developed as a retirement community for persons aged 62 years and over. It is designed to accommodate the needs of both the independent elderly and the medically or socially dependent elderly and will include a spectrum of Housing Units that will be suitable for persons who will meet the fifteen percent (15%) Low Income and Moderate Income Housing Requirement.

D. The Developer has agreed to sell Housing Units in Providence Point to Low Income and Moderate Income persons which may be more modest in size and appointments, but which are of similar location, design, and quality as other Housing Units in Providence Point. The Developer is willing to sell these Housing Units to Low Income and Moderate Income persons in each phase of development at an affordable sales price.

E. The Developer has conducted extensive research which discloses that the size and price of the Housing Units at Providence Point and the program tailored for its residents will, as a normal consequence, enable the Developer to meet the Low Income and Moderate Income Housing Requirement over time. Providence Point will be aimed at those retired persons who are looking for one location where their independence and assets can

be preserved over as long a time as possible while their aging needs are being met functionally and economically.

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F. An historical attribute of similar retirement communities is that once the retirement community is complete, its percentage of Low Income and Moderate Income residents will progressively increase. This results from the observable fact that the average age of residents of such a retirement community continues to rise and their disposable income declines. It is therefore recognized that a Low Income or Moderate Income resident of Providence Point will remain in that category for purposes of this Agreement, and that once the fifteen percent (15%) Low Income and Moderate Income Requirement has been met at Providence Point, it will continue to be met or exceeded for the foreseeable future.

G. A licensed nursing care facility to be built and operated by the Sisters of Joseph of Peace adjacent to Providence Point will be an integral part of Providence Point to serve the residents of the community at large and of Providence Point. For all residents, including those of Low Income and Moderate Income, in-home assistance care will be made available, thereby prolonging their independence as long as possible. Providence Point is further designed and programmed to preserve the resources of its residents to the extent possible so that their resources may be available to meet the frailties of aging without reliance on charity or governmental assistance.

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H. The parties desire to set forth reporting and certification standards to be followed by the Developer to enable the County to monitor the progress of the Developer in meeting the Low Income and Moderate Housing Requirement of the preliminary P.U.D. approval for Providence Point.

I. The parties agree that this Agreement is intended to provide the Developer with the pricing flexibility to achieve the Low Income and Moderate Income Housing Requirement in the preliminary P.U.D. approval while permitting the County reasonable assurance that this requirement will be satisfied. This Agreement is entered into with the understanding that only the Developer will assure the availability of Housing Units at an affordable sales price for persons of Low Income or Moderate Income, and mandates action by the Developer to assure the availability of an affordable housing program.

NOW, THEREFORE, FOR TEN DOLLARS, the mutual promises contained herein, and other good and valuable consideration, the parties agree as follows:

1. Purpose.

Condition No. 18 of the Zoning and Subdivision Examiner's report dated October 7, 1981, regarding the proposed P.U.D. of Providence Point ("P.U.D. Report") requires the Developer to prepare a phasing plan regarding, inter alia, the scheduling and development of housing for Low Income and Moderate Income

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residents in each phase of Providence Point. Condition No. 18 of the P.U.D. Report further requires that the Housing and Community Development Division of King County and the Building and Land Development Division approve this aspect of the phasing plan. The parties agree that this Agreement is intended to satisfy condition No. 18 of the P.U.D. Report as it relates to the scheduling and development of housing for Low Income and Moderate Income residents in each phase of Providence Point

2. Legal Description.

Developer is the owner of the real property legally described on Exhibit A attached hereto and incorporated by this reference. This real property is known as Providence Point.

3. Definitions.

As used in the Agreement, the following terms shall have the following meaning:

A. "Low Income" shall mean fifty percent (50%) or less of the median income level for the County as established by the King County Housing and Community Development Division.

B. "Moderate Income" shall mean more than fifty percent (50%) and less than eighty percent (80%) of the median income level for the County, as established by the King County Housing and Community Development Division.

C. "Income" shall be determined in accordance with the provision of 24 C.F.R. § 889.103 and 889.104 except that the value

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of the person's prior principal residence or home shall be excluded from the amount of "Net Family Assets" and Income shall not be determined by imputing a percentage of the value of a person's prior principal residence or home if such prior principal residence or home was occupied by such persons within twenty-four (24) months of purchasing or renting a Housing Unit at Providence Point.

D. "Affordable Unit" shall mean a Housing Unit that is actually sold or rented to a person of Low Income or Moderate Income.

E. "Housing Phase" shall mean each of (i) the first three hundred Housing Units constructed at Providence Point, (ii) the second three hundred Housing Units constructed at Providence Point, (iii) the third three hundred Housing Units constructed at Providence Point, and (iv) all remaining Housing Units thereafter constructed at Providence Point.

F. "Low Income and Moderate Income Housing Requirement" (at times referred to herein as the "Requirement") shall mean that the Developer is required to sell or cause to be sold or rent or cause to be rented five percent (5%) of the Housing Units in each Housing Phase as Affordable Units to Low Income buyers or renters, and ten percent (10%) of the housing units in each Housing Phase as Affordable Units to Moderate Income buyers or renters, provided, however, that Developer may satisfy the Moderate Income

housing requirement through the sale or rental of Housing Units to Low Income persons.

G. "Housing Unit" means a condominium apartment or residential rental apartment at Providence Point P.U.D.

H. "Developer" shall mean the Swanson-Dean Corporation, its successors and assigns.

4. Applicability.

This Agreement shall apply to all Housing Phases of the Providence Point P.U.D. The Low Income and Moderate Income Housing Requirement shall apply to each Housing Phase independently, provided, however, that (i) any excess in the sale or rental of Affordable Units to Low Income or Moderate Income persons in any Housing Phase may be applied to the Requirement in the next Housing Phase, and (ii) at such time as the Low Income and Moderate Income Housing Requirement has been met for the total Housing Units constructed or to be constructed by Developer as a part of Providence Point P.U.D., then the Low Income and Moderate Income Housing Requirement and condition No. 18 of the P.U.D. Report, as it relates to the scheduling and development of housing for Low Income and Moderate Income residents, shall be deemed fully and completely satisfied. For purposes of illustration only, and subject to increase in the number of Low Income Housing Units and decrease in the number of Moderate Income Housing Units as set forth in the proviso in Section 3.F, if the total units

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allowed by the P.U.D. are one thousand one hundred seventy-six (1,176), then the Low Income and Moderate Income Housing Requirement and Condition No. 18 of the P.U.D. Report, as it relates to the scheduling and development of housing for Low and Moderate Income residents, shall be deemed fully and completely satisfied for any and all remaining Housing Phases, at such time as a report to the County certified by the Developer's certified public accountant pursuant to Section 6 hereof states that there are at least fifty-nine (59) Low Income buyers or renters and at least one hundred eighteen (118) Moderate Income buyers or renters at Providence Point.

5. Documentation of Income.

Developer shall obtain from each person who purchases or rents a Housing Unit at Providence Point as a Low Income or Moderate Income person such information as is necessary to document and verify such person's annual income. A copy of a federal income tax return for the preceding year, certified by such purchaser as true and accurate, shall be considered conclusive evidence regarding that person's annual income.

6. Reports.

Within sixty (60) days following June 30 and December 31 of each year beginning the year in which closing of the first sale or first rental to a Low Income or Moderate Income person of a Housing Unit in a Housing Phase at Providence Point occurs,

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Developer shall provide the King County Housing and Community Development Division a written report in the form attached hereto as Exhibit B. Such report shall, within sixty (60) days following the end of each calendar year, be certified by a certified public accountant selected by Developer. All such reports, including certification, shall be based on the Income information disclosed on a confidential basis to Developer by each initial Low Income or Moderate Income buyer or renter of a Housing Unit at Providence Point, which information shall be provided such accounting firm by Developer promptly after such a sale or rental has occurred. The reports required by this Section 6 shall apply to each Housing Phase independently and upon satisfaction of the Low Income and Moderate Income Housing Requirement for a particular Housing Phase, no further reports under this Section 6 shall be required in connection with such Housing Phase except (i) the certification by Developer's certified public accountant following the end of the calendar year in which such satisfaction occurs, and (ii) Developer shall continue to provide an annual uncertified report reflecting sales or rentals to Low Income or Moderate Income buyers or renters in excess of the Requirement, if there are any such sales or rentals.

7. Audit by County.

The income information obtained by Developer shall be maintained by the Developer or its designated certified public

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accountant firm on a confidential basis and shall not be or become a matter of public record. Such confidential information shall not be copied or disclosed by such firm to anyone, except that the County shall have the right to inspect such information from time to time to ascertain the accuracy of the reports and certifications being furnished.

8. Substitution to Meet Requirement.

The Developer may at any time substitute an equal number of publicly subsidized rental Housing Units for Low Income persons in place of sales or rentals to Low Income and Moderate Income persons to meet the Low Income and Moderate Income Housing Requirement. For all purposes hereof, such rental Housing Units will count toward the Requirement when they are occupied.

9. Failure to Meet Condition.

Should the reports and certifications required to be made by Developer to the County pursuant to Section 6 of this Agreement disclose that the Low Income and Moderate Income condition is not being met by Developer, or if Developer should fail to provide the required reports and certifications to the County, the County shall be entitled to increase the Low Income and Moderate Income Housing Requirement in subsequent phases or divisions of Providence Point, but not in excess of the total Low Income and Moderate Income Requirement required by this Agreement and/or to deny approval or issuance of building permits or other

governmental approval required for subsequent phases or divisions of Providence Point.

10. Amendments.

This Agreement may be amended by the parties from time to time by instrument in writing duly signed by the parties.

11. Recording.

This Agreement shall be recorded immediately with the King County Division of Records and Elections.

12. Declaration of Covenant.

Developer hereby declares that, subject to paragraph 14 of this Agreement, the property legally described in Exhibit A and said P.U.D. condominium and apartment units thereof shall be held, sold and conveyed subject to this Agreement which shall run with the land and shall be binding upon Developer, its successors and assigns, and shall inure to the benefit of King County, Washington, to the extent applicable, until such time as (i) the Low Income and Moderate Income Housing Requirement is met and certified of record by the King County Housing and Community Development Division or its successor or is modified by a duly enacted King County ordinance or (ii) said Providence Point P.U.D. is abandoned by Developer, or is rescinded or revoked by King County.

13. Enforcement

The parties or their successors shall have the right to specifically enforce by any appropriate proceeding at law or in

equity any covenants, conditions, or restrictions imposed by this Agreement.

14. No Effect on Housing Unit Lenders or Owners

Notwithstanding any other terms or provisions of this Agreement, including, without limitation, paragraphs 12 and 13, this Agreement shall have no effect whatsoever on and shall not run with the land nor be binding upon any Housing Unit or any Housing Unit owner, buyer or renter or any person or lender holding a mortgage or Deed of Trust on a Housing Unit (except the holder of a mortgage or Deed of Trust granted by Developer), each and all of whom shall hold and continue to hold their respective ownership or mortgage interests in a Housing Unit free and clear of this Agreement.

15. Subsequent Invalidation.

Invalidation of any one or more of these covenants, conditions, or restrictions by judgment or court order shall not in any manner affect any other provisions hereof.

16. Binding Effect.

The covenants and agreements of this Agreement shall be binding upon and inure to the benefit of the respective parties, and their successors, assigns, legal representatives, heirs and personal representatives.

17. Entire Agreement.

There are no verbal or other agreements which modify or affect this Agreement. This Agreement (and any attached exhibits) contains the entire agreement and understanding of the parties with respect to the entire subject matter hereof. Any and all prior discussions, negotiations, commitments and understandings relating to the subject matter hereof are merged herein.

IN WITNESS WHEREOF, Developer and County have executed this Agreement and Declaration of Covenants, Conditions and Restrictions the day and year first above written.

KING COUNTY

SWANSON-DEAN CORPORATION,
a Washington Corporation

By

RANDY REVELLE
King County Executive

DEC 1 1983

By

P. Edward Dean

Its

PRESIDENT.

Approved as to Form:

Leila C. Tasse
Prosecuting Attorney

Approved:

By [Signature] 28 Oct 83
Building and Land Development
Division

[Signature]
Housing and Community
Development Division

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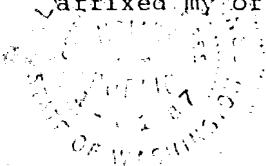
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STATE OF WASHINGTON)
 : ss.
COUNTY OF KING)

On this 24th day of October, 1983, before me
personally appeared P. Edward Dean, Jr., the
President of SWANSON-DEAN

CORPORATION, the corporation that executed the within and
foregoing instrument, and acknowledged said instrument to be the
free and voluntary act and deed of said corporation, for the uses
and purposes therein mentioned, and on oath stated that it was
authorized to execute said instrument and that the seal affixed is
the corporate seal of said corporation.

IN WITNESS WHEREOF I have hereunto set my hand and
affixed my official seal the day and year first above written.



Paul Guyman Dean
NOTARY PUBLIC in and for the State of
Washington, residing at Belleme.

STATE OF WASHINGTON)
 : ss.
COUNTY OF KING)

On this 1st day of December, 1983, before
me personally appeared HARRY C. THOMAS, DEPUTY
RANDY REVELLE, the County Executive of King
County, the said municipal corporation that executed the within
and foregoing instrument, and acknowledged said instrument to be
the free and voluntary act and deed of said municipal corporation,
for the uses and purposes therein mentioned, and on oath stated

that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said municipal corporation.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.

Cappell L. Lock

NOTARY PUBLIC in and for the State of Washington, residing at Seattle.

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EXHIBIT "A"
TO
PROVIDENCE POINT P.U.D. AGREEMENT
REGARDING SALES AND RENTALS
TO LOW AND MODERATE INCOME PURCHASERS

LEGAL DESCRIPTION OF PROVIDENCE POINT

THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 9, TOWNSHIP 24 NORTH, RANGE 6 EAST, W.M., IN KING COUNTY, WASHINGTON.

EXCEPT THE NORTH 400.00 FEET IN WIDTH OF THE EAST 690 FEET IN WIDTH;

ALSO EXCEPT THE SOUTH 435.00 FEET IN WIDTH OF THE NORTH 835.00 FEET IN WIDTH OF THE EAST 330.00 FEET IN WIDTH;

ALSO EXCEPT THE EAST 30.00 FEET OF SAID SUBDIVISION;

ALSO EXCEPT THE FOLLOWING DESCRIBED PORTION OF SAID SUBDIVISION MORE PARTICULARLY DESCRIBED AS FOLLOWS:

- COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 9;
THENCE ALONG THE EAST LINE THEREOF N01°27'13"E 927.57 FEET TO THE SOUTH LINE OF THE NORTH 400.00 FEET OF SAID SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER;
THENCE ALONG SAID SOUTH LINE N88°27'26"W 330.00 FEET TO THE TRUE POINT OF BEGINNING;
THENCE S01°27'13"W 435.00 FEET;
THENCE N88°27'26"W 175.00 FEET;
THENCE N59°58'51"W 414.48 FEET;
THENCE N30°00'00"E 270.00 FEET;
THENCE S88°27'26"E 410.00 FEET TO THE TRUE POINT OF BEGINNING.

ALSO EXCEPT THE FOLLOWING DESCRIBED PORTION OF SAID SUBDIVISION MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 9;
THENCE ALONG THE SOUTH LINE THEREOF N88°28'02"W 30.00 FEET TO THE WESTERLY MARGIN OF 228TH AVENUE S.E. AND THE TRUE POINT OF BEGINNING;
THENCE CONTINUING ALONG SAID SOUTH LINE N88°28'02"W 512.49 FEET;
THENCE N46°34'56"E 582.03 FEET;
THENCE S88°32'49"E 100.00 FEET TO SAID WESTERLY MARGIN OF 228TH AVENUE S.E.;
THENCE ALONG SAID WESTERLY MARGIN S01°27'13"W 411.35 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 24 NORTH, RANGE 6 EAST, W.M., IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 16;
THENCE N88°28'02"W ALONG THE NORTH LINE OF SAID SECTION 16 A DISTANCE OF 542.49 FEET TO THE POINT OF BEGINNING; THENCE S46°34'56"W 305.33 FEET TO A POINT ON A CURVE, THE CENTER OF SAID CURVE BEARS S27°12'21"E 62.00 FEET;
THENCE SOUTHWESTERLY ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 10°33'42" AN ARC DISTANCE OF 11.43 FEET TO A POINT OF TANGENCY;
THENCE S52°13'57"W 1214.30 FEET;

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THENCE S37°46'03"E 871.00 FEET;
 THENCE N52°13'57"E 500.00 FEET;
 THENCE S37°46'03"E 541.55 FEET TO A POINT OF CURVE;
 THENCE ON A CURVE TO THE LEFT HAVING A RADIUS OF 160.00 FEET THROUGH A CENTRAL
 ANGLE OF 77°43'17" AN ARC DISTANCE OF 217.04 FEET TO A POINT OF TANGENCY;
 THENCE N64°30'40"E 90.86 FEET TO A POINT OF CURVE;
 THENCE EASTERLY ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 190.25 FEET
 THROUGH A CENTRAL ANGLE OF 26°13'52" AN ARC DISTANCE OF 87.10 FEET TO A POINT
 ON A CURVE ON THE WESTERLY MARGIN OF 228TH AVENUE S.E. AS CONVEYED TO KING
 COUNTY BY DEED RECORDED UNDER RECEIVING NO. 7110210313 RECORDS OF SAID COUNTY;
 SAID POINT BEING A POINT ON A CURVE THE CENTER OF WHICH BEARS N76°39'59"W
 808.00 FEET DISTANT;
 THENCE SOUTHERLY, SOUTHWESTERLY AND WESTERLY ALONG SAID MARGIN AND THE
 NORTHERLY MARGIN OF S.E. 43RD WAY ALONG SAID CURVE TO THE RIGHT THROUGH A
 CENTRAL ANGLE OF 87°59'49" AN ARC DISTANCE OF 1240.96 FEET TO A POINT OF
 TANGENCY;
 THENCE CONTINUING ALONG SAID MARGIN BY THE FOLLOWING COURSES AND DISTANCES:
 N78°39'57"W 945.67 FEET TO A POINT OF CURVE;
 THENCE ON A CURVE TO THE RIGHT HAVING A RADIUS OF 1458.00 FEET THROUGH A
 CENTRAL ANGLE OF 29°51'27" AN ARC DISTANCE OF 759.78 FEET TO A POINT OF
 TANGENCY;
 THENCE N48°48'30"W 61.08 FEET TO THE WEST LINE OF SAID SUBDIVISION;
 THENCE N01°34'44"E ALONG SAID WEST LINE 1863.45 FEET TO THE NORTHWEST CORNER
 OF SAID SUBDIVISION;
 THENCE S88°28'02"E 2110.53 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER AND THAT PORTION
 OF THE SOUTH HALF OF THE NORTHEAST QUARTER, ALL IN SECTION 16, TOWNSHIP 24
 NORTH, RANGE 6 EAST, W.M., IN KING COUNTY, WASHINGTON, LYING SOUTHERLY OF THE
 SOUTHERLY MARGIN OF S.E. 43RD WAY AS CONVEYED TO KING COUNTY BY DEED RECORDED
 UNDER RECEIVING NO. 7110210313.

EXCEPT THE EAST 30 FEET THEREOF FOR 228TH AVENUE S.E.

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EXHIBIT B
TO
PROVIDENCE POINT P.U.D. AGREEMENT
REGARDING SALES AND RENTALS
TO LOW AND MODERATE INCOME PURCHASERS

REPORT TO KING COUNTY HOUSING AND
COMMUNITY DEVELOPMENT DIVISION

This relates to Housing Phase _____ at Providence Point,
which Housing Phase contains _____ Housing Units.

SWANSON-DEAN CORPORATION hereby certifies the following
information regarding closing of sales and rental of Housing Units
at Providence Point for the period from _____,
19____, through _____, 19____.

1. Number of Housing Units offered for sale or rental during
this reporting period: _____.
2. Number of Housing Units sold during this reporting
period: _____.
3. Number of Housing Units rented during this reporting
period: _____.
4. Number of Housing Units sold to "Low Income" buyers during
this reporting period: _____.
5. Number of Housing Units sold to "Moderate Income" buyers
during this reporting period: _____.
6. Number of Housing Units rented to "Low Income" renters during
this reporting period: _____.
7. Number of Housing Units rented to "Moderate Income" renters
during this reporting period: _____.
8. Percentage of "Low Income" buyers and renters during this
reporting period: _____ %
9. Percentage of "Moderate Income" buyers and renters during
this reporting period: _____.

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10. Total cumulative percentage of "Low Income" and "Moderate Income" buyers and renters for this Housing Phase through the above date: _____.

SWANSON-DEAN CORPORATION,
a Washington Corporation

DATED: _____

By _____

Its _____

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