

JULY 15, 2008



TUKWILA VILLAGE

PROPOSAL by LEGACY PARTNERS





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E-1 NARRATIVE



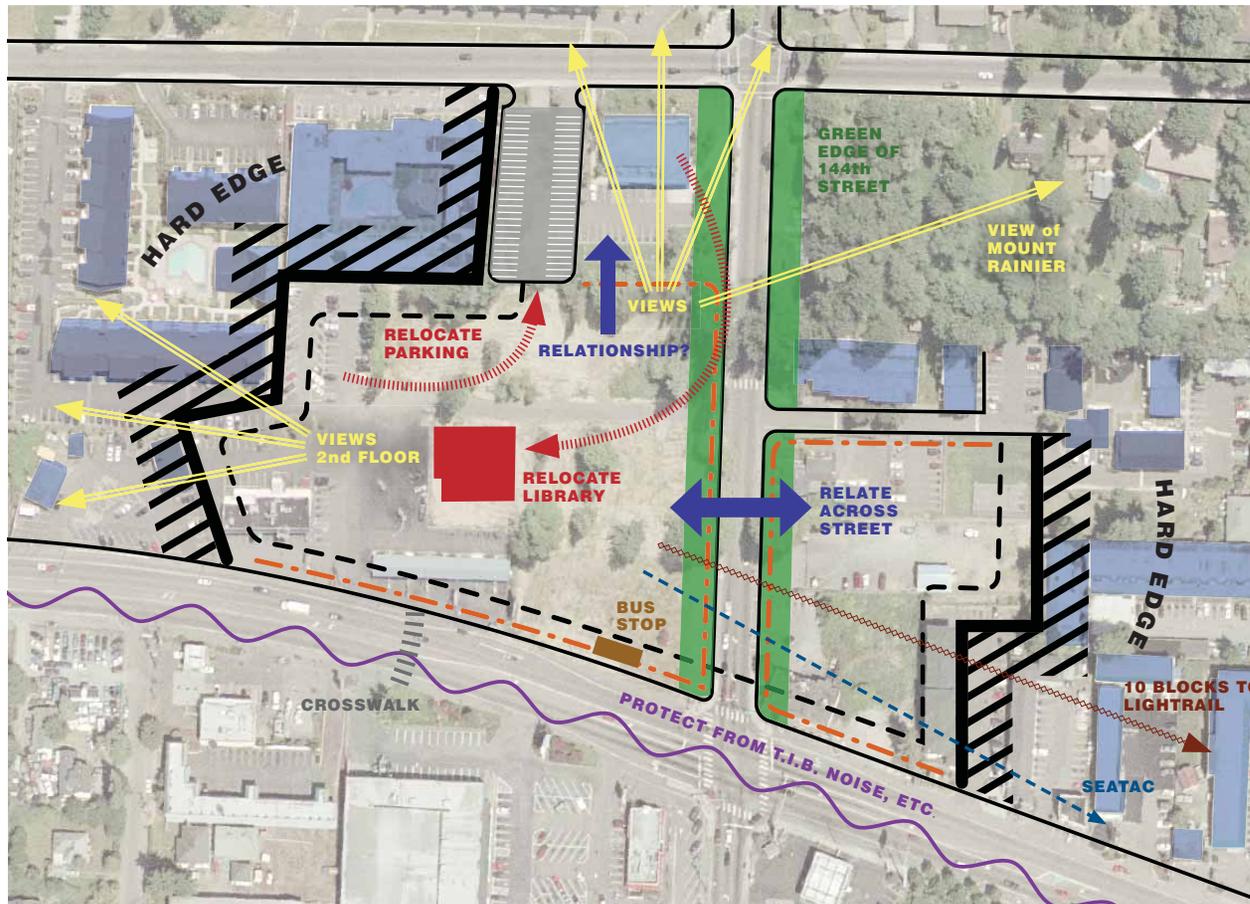
NARRATIVE

a. PROJECT VISION WITH POTENTIAL USER/TENANT PROFILE

Tukwila Village will be a vibrant mixed-use community anchored by a new Foster Library and an invigorated public space. The project will provide a public commons that will serve as a community living room surrounded by a variety of residential users that are representative of the Tukwila community. The diverse collection of users will include apartment renters, artists, senior citizens and young families, as well as a broad array of community residents who will enjoy the library, community policing resource center, and retail amenities.



OPPORTUNITIES AND CONSTRAINTS



Opportunities and Constraints

This location has many opportunities for development as well as a number of limitations. Opportunities include:

- The creation of a public-private alignment to develop a pedestrian oriented mixed-use location as a major community resource and public place for indoor and outdoor activities.
- A central location in Tukwila, at the crossroads of Tukwila International Boulevard (TIB) and 144th Street.
- Proximity to the new Sound Transit Light Rail station.
- Potential views of downtown Seattle, the Cascade Range and Mt. Rainier.
- Contiguous Metro service to Seattle and Sea-Tac Airport.
- A relocated King County Library, fully integrated into the project, reinforcing the public space with direct access and visibility to the community.
- The creation of a “green” edge along 144th Street to enhance the residential scale of this street and provide an entrance to the new plaza.
- A new pedestrian scale within the development without compromising vehicular access to the site.
- Creating a clear relationship to the southern site to produce an integrated development.
- Developing a true mixed-use project with a wide mix of housing types such as rental apartments, for sale townhouses, and elderly housing units. A variety of income levels is projected.

The limitations of the site include:

- Apartment complexes located immediately adjacent to the site.
- The noise and pollution associated with a major through boulevard.
- A perception of a lack of safety around the site.
- The fragmented nature of the surrounding development.

Note: See Opportunities and Constraints Diagram on page 7.

The following summarizes our design intentions. A more detailed description follows.

- Develop a project with a good balance of density and scale to the surrounding neighborhood.
- Create a community place with both indoor and outdoor uses to encourage a new pedestrian atmosphere.
- Locate the King County Library to have a major presence and visibility on TIB as well as the new community place.
- Align the project with the existing cross walk and develop this as a covered pedestrian way.
- Define the new community space with the Library and retail uses to activate this place.
- Place the new Police Facility at the corner of TIB and 144th Street for maximum presence.
- Face the open side of the community place south to maximize natural light and encourage use of the outdoor plaza.
- Set the project back from TIB to provide a buffer from its noise and congestion.
- Position the residential buildings to allow light and air to the surrounding apartments while adequately defining the new community place.

- Locate the majority of the parking under the new buildings to reduce its impact on the project while providing sufficient on grade parking for the Library, the retail spaces and the Police Facility.
- Provide a balance of housing types to address various income levels and cultural mixes.
- Integrate the residential uses with the Library and retail ones to reinforce the mix of public, private and community amenity.

Based on the opportunities and constraints of the Tukwila Village site elaborated above, we've strategically planned the site with the following uses to help achieve our vision:

Market Rate Rental Housing

Market rate rental housing will be an anchor of Tukwila Village. Units will feature fully modern kitchens, spacious bathrooms and abundant storage. Units will be a mix of studios, 1 bedroom and 2 bedroom floor plans appealing to renters at around 100% of King County Area Median Income. In addition, 5 units located on the ground floor facing the plaza area will be live/work units specifically targeted to area artists.

Renters will enjoy a full amenity package, including a fully-equipped workout room and a community room with full kitchen, fireplace and large screen TV for larger events. Tenants will also have use of an outdoor deck area above the community plaza. Many units will enjoy views of the Cascades, Mt Rainier, and the Seattle skyline.

Renters will benefit from the high quality construction of Legacy developments, similar to that found in area condominium projects. Units will feature sleek black appliances, stainless steel kitchen and bath faucets, and china sinks. Typical units will have laminate wood

flooring in the kitchens, with vinyl tile in the bathrooms, and carpet in the living areas and bedrooms. Windows will be operable to assist in ventilation, and many units will enjoy juliet decks.

Typical renters in this location will be young professionals who want to be a part of a vibrant new community as well as be close to the library and retail amenities of Tukwila Village. Transit linkages will be another strong amenity to renters in this location, with frequent bus service to downtown Seattle and the nearby LINK light rail station.

To help enhance the pedestrian nature of the project, apartment parking will be located underground, and accessed from 144th street. In addition, apartments will face onto the public plaza and retail areas to provide additional eyes on the street to promote public safety.

The first phase of Tukwila Village will contain approximately 200 market-rate units. The second phase is currently planned as a 68-unit residential building with underground parking. Market conditions could allow this phase to be for-sale market rate condominiums or a second phase of rental apartments.

Retail

Retail uses are strategically planned around the site to enhance Tukwila Village. The cornerstone of the retail uses will be a new modern facility for the Foster Library branch of the King County Library System. Located on the perimeter of the plaza, the library branch will enjoy excellent visibility from the Boulevard, as well as serve to activate the plaza space. The library will emphasize transparency to encourage community members to come inside to and explore the space. Some expansion space is also designed into the project to allow the Library to grow with their user base over time without having to relocate.



Additional retail users will be clustered around the public plaza space to capitalize on the activity levels in the plaza. We envision a coffee shop as well as other smaller retail foodservice tenants who will share the indoor plaza area for seating and activities.

A pedestrian thoroughfare will delineate the front edge of the public plaza and library, as well as connect with the signalized crosswalk on the Boulevard. This thoroughfare will continue across the front of the residential building and border the live/work units on the ground level of the apartments, facilitating pedestrian activity across the entire site and onto the adjacent sites.

A pad building will contain the Community Policing Center in a very prominent and visible location on the corner of the site. In addition, the pad site will contain a retail location targeted towards a sit-down restaurant user. This pad building will also serve to buffer the plaza area from the negative effects of the traffic volumes on the Boulevard.

Target retail consumers will be a combination of the apartment renters, townhouse owners, and senior housing occupants, as well as the neighborhood traffic on 144th and Tukwila International Boulevard.

Senior Housing

The Senior housing within Tukwila Village will provide well-located housing for seniors aged 62 and up. Located along the tree lined International Blvd., the site is proximate to many great amenities for senior citizens such as the library, grocery store, and bus and light rail transportation. Seniors will add vibrancy to Tukwila Village, activate the streets and contribute to the diversity of the community.

Situated on the edge of the Village, this four-story wood frame building will be built on top of a concrete base containing extensive

amenity space. Typically these common areas include a secured entrance, manager's office, smaller meeting/crafts room, a computer facility and a laundry room. Additionally, there will be a large community room with a big-screen TV, full kitchen and furniture. The space will offer residents the flexibility to host fun events like movie night or nutrition and health classes. There will be a part-time case manager/activities person, a part-time property manager and a full time resident manager to help these seniors obtain necessary health and social services.

The green roof top will provide a place for residents to plant vegetables, sit in the sun, entertain guests and enjoy views of the Seattle skyline. Outside of the building, we will provide a landscaped dog walk area, as many seniors find emotional comfort in a pet.

We have designed Tukwila Senior Housing to accommodate the aging-in-place of our residents. The 50, 1-bedroom units will have bay windows for the seniors to watch the activity around them. Each unit will also have emergency call pulls in the bedroom and bathroom and a fully accessible bathroom. Hallways are equipped with hand rails and a trash chute for garbage and recycling.

This building will meet Green Building Standards with such features as a green roof, dual flush toilets, insulation above code, low voc paints, and the provision for future solar power.

The target market for this product is seniors, aged 62 and up, who make 50% of King County Area Median income or under. Ten of the units will be available only to homeless seniors. Seniors will be charged 30% of their income for rent, and HUD will make up the difference between the collected rents and operating costs.

For-sale Townhomes

Tukwila Village Townhomes will make homeownership a reality to low-income, first-time homebuyers at 80% and below of King County Area Median Income. This affordable homeownership opportunity will be marketed towards a range of buyers including minority/immigrant families, single-parent households, school teachers, and municipal employees. As part of the new master plan Tukwila Village, the homebuyers will create roots in Tukwila and will allow a community and a neighborhood to grow around those roots.

The townhomes will be three-story attached homes ranging from 2 to 3-bedrooms with a garage on the first floor. This bedroom size tends to attract young families with children. A playground area and open space would be included as part of the project site plan to accommodate resident children. The design of the townhomes will have a street facing façade to create "eyes-on-the-street" to provide a safer living environment, which also encourages a more walk-able and lively neighborhood.

The Tukwila Village Townhomes can be developed along a Community Land Trust (CLT) model to keep the units affordable for subsequent generations of purchasers. The CLT will use a ground-lease arrangement with the land held in non-profit ownership under the CLT. The buyer will own the home and the land will be held by the Land Trust. This allows an equity return to the owner, but forestalls runaway appreciation that prices many subsequent purchasers out of the market. The initial capitalization will benefit not just the first wave of buyers, but also subsequent purchasers who follow. This approach gives the City of Tukwila a permanent stock of affordable homes.



b. PROJECT COMPONENTS AND PHASING;**Phase 1**

- 200 market rate apartments
- 10,400 sf facility to house the Foster Library (with an additional 2,000 sf for future expansion)
- 2,000 sf new Community Policing Resource Center on a pad site
- 10,000 sf of new in-line and pad retail shops
- 50 units of senior housing
- 25 income restricted for-sale townhomes
- ~3,400 sf indoor public commons.
- ~8,000sf outdoor plaza area.

Phase 2

- 68 market rate apartments/for-sale condominiums
- An office project could be considered for this location should the need arise for a 40,000 to 60,000 SF build to suit office tenant looking for space in Tukwila. This need is unclear at this point, so we've planned the site as residential.
- 6,500 sf of in-line retail shops

c. DESCRIPTION OF THE DESIGN CONCEPT FOR THE PROJECT**i. OVERALL PROJECT IMAGE STATEMENT**

"Tukwila Village will be a welcoming place where all residents can gather and connect with each other. This mixed-use development will draw upon Tukwila's strengths and include a library, a neighborhood police resource center, retail, restaurants, public meeting space, and an outdoor plaza. The Village may also include office, live/work, and residential space. This active, vibrant place will set high standards for quality and foster additional neighborhood revitalization and civic pride."

This statement by the City of Tukwila forms the basis of our development proposal.

The **Tukwila Village Development Concept** will foster a sense of community by providing a pleasant and safe living, shopping and learning environment with a balance of civic, retail, residential, and neighborhood uses. It is a pedestrian-friendly center, anchored by a relocated Foster Library, designed to minimize traffic impacts, provide the necessary retail uses, and create a destination for the broader community.

The focus of activity on the site will be a multi-purpose indoor-outdoor public place or forum. This forum will be a gathering space for a variety of activities, peoples and uses. The forum will be defined on two sides by the relocated King County Public Library and on the third by retail spaces. The south side of this forum will open to an outdoor plaza, an extension of the indoor space. Large scale "garage" doors will allow the indoor and outdoor areas to merge and become one community place. Informal gatherings as well as scheduled events will take place here. The remainder of the plaza to the south, used for retail parking on a daily basis, can be used for larger events and gatherings such as markets, performances and holiday celebrations.

ii. QUALITY AND CHARACTER OF THE EXTERIOR AND PUBLIC REALM

The main goal of our proposal is to create a community room, an indoor-outdoor place that welcomes the people of Tukwila, particularly the adjacent neighborhoods and surround this room, this forum, with a new mixed-use development of diverse uses. Central to this idea is the relocated Foster Library which acquires pride of place in the proposal. Fronting TIB and wrapping the forum, the library is the key public ingredient in the scheme.

The public place is defined and protected by the residential buildings while being open to the south for abundant light and air. This "forum" has large rollup doors to open the indoor space to the exterior plaza and facilitate the flow of activity between the two. The plaza is easily expanded for major events and celebrations by closing off the parking in the south portion of the space. Retail uses and Live-Work spaces line the eastern edge of the Plaza and enliven its activities. A small freestanding building containing the Police Community function and a restaurant or coffee shop defines the corner of 144th and TIB. The Police facility is thus visible and accessible to the public.

The new Library is a prime element of the project. Its position gives it primary visibility and transparency from TIB while enhancing the public forum. One elevation fronts the pedestrian path that crosses TIB and leads to the arcade of the forum and the interior elevation activates the forum. Positioned on the plaza level the Library and adjacent to the retail spaces, the Library is the fulcrum of the project. A shared space is available to both the Library and the retail tenants for expansion.

The plan knits together development both north and south of 144th Street to create a coherent plan for immediate and future construction. The Library plaza facade and the arcade of the forum align with the existing crosswalk at TIB to provide a seamless pedestrian movement into and out of the site.

The overall distribution of buildings is designed to both protect light and air to the existing apartments around the site and to provide the defined open space at a scale and density appropriate to the neighborhood. The project is set back from TIB to buffer the buildings from its' acoustical and environmental conditions and to create a true pedestrian environment. The buildings step down to the east and south to accommodate the existing apartments.



A variety of rental and for sale housing is proposed allowing for a range of lifestyles and income types. Phase I proposes 200 apartment units in 65' high buildings above the Library, retail spaces and public spaces, a 50 unit Senior Housing facility, and 25 for sale townhouse units to the south of 144th Street. In Phase II, another 68 units would be built over below grade parking.

We propose building a new lot to the north of the existing Library in exchange for the Normandy Court apartments lot that is contiguous with our site. If this can be accomplished it would add about 16,000sf to the site area. However our scheme can be completed with or without this area. This also allows us to vacate 41st Street and plan a more rational development.

The parking for the residential housing is under the buildings to reduce its impact of the project. Adequate surface parking is provided for the Library, the retail tenants, the Police Facility, and the Senior Housing.

iii. APPROXIMATE GROSS BUILDING SQUARE FOOTAGE BY TYPE

Product Type	Gross Building Square Footage
Multifamily	175,000 sf (Phase I) / 66,340 sf (Phase II)
Police Station	2,000 sf
Library	10,400 sf with 2,000 sf for future expansion
Additional Retail	10,000 sf (Phase I) / 6,500 sf (Phase II)
Senior Housing	39,200 sf
For-Sale Townhomes	30,000 sf
Parking (underground)	47,600 sf (Phase I) / 23,800 sf (Phase II)

iv. GROSS SQUARE FEET OF LAND AREA BY LAND USE TYPE

Product Type	Gross Land Square Footage
Multifamily/Library/Police Center/Retail – Ph I	141,000
Senior Housing	28,570
For-Sale Townhomes	48,030
Multifamily/Retail – Ph II	43,567

**Per the RFP business terms these numbers sum to ~6ac. Actual site sizes may vary.*

v. APPROXIMATE BUILDING HEIGHTS

Product Type	Approximate Building Heights
Multifamily/Retail	65'/55'
Senior Housing	55'
For-Sale Townhomes	35'

vi. APPROXIMATE AMOUNT OF PARKING

Parking Type	Phase I	Phase II
Subterranean	270	68
Surface	110	12

vii. SPECIAL AMENITIES

The feature amenity of the project will be the dynamic interior and exterior public space that is created between the library and in-line retail spaces. This public forum can be used for informal gatherings within the community as well as larger scheduled events. The space is designed to flow both inside and out, with the surrounding plaza area available for larger events. Energy will be created in the space from the flow of library and retail users, and the space will be designed to be comfortable and inviting for a wide variety of community users.

In addition to the public space the project will feature amenities within each of the individual elements. The market rate apartments will feature a separate community club room, exercise facility, business center and rooftop deck area. The townhome area will feature a small playground feature for residents, and the senior housing will enjoy their own laundry facility and computer room.

d. APPROACH TO PROJECT AND OPERATIONS MANAGEMENT

Legacy Partners and LIHI each have integrated approaches to project and operations management.

Legacy has developed a vertical integration that allows us to shape a project from start to finish. Our internal construction division, Legacy Partners Builders, enables us to get early and accurate cost estimating as well as ensure a high quality of construction throughout the project. Our integrated management expertise allows early input and feedback from our property management team to the development team to ensure high quality functional unit designs. This vertical integration makes us unique in our abilities to control so many elements of the project from start to finish.

LIHI also has a vertically integrated team on the development and management of their projects. With the strategic intent and financial obligation of managing their projects long term, they build high quality projects that stand the test of time. Their project financing mechanisms of tax credit financing as well as State and County grants require between a 15 to 50 year hold period. With such a long term perspective, LIHI is committed to building quality projects that hold their value over time.



e. PLAN FOR FOSTER LIBRARY PROPERTY

We do not expect to purchase the current Foster Library site as part of the initial phase of development. We do expect to reconfigure the existing parking lot of the library to allow the relocation of the parking for the adjacent Normandy Court Apartments.

Because the library will remain in their existing facility through the completion of construction of Phase I in 2011, there is still time to establish a compatible re-use of the facility. As the market conditions evolve, there may be a role for the existing library building to be re-developed into a later phase of Tukwila Village.

We have also explored the interest level of the Tukwila School District in owning the library building. Our discussions revealed that the school district has interest in the property and could move to add it's acquisition into their long term capital planning budget.

We feel that the School District is the logical user for this facility given their proximity and user profile, and would hope to see them acquire the building when the library has moved out.

f. ENSURING QUALITY CONSTRUCTION AND MATERIALS

Legacy Partners has a history of high quality residential development in both established and emerging multicultural neighborhoods that provide architectural and aesthetic value to their surrounding communities. We would ensure that the project has appropriate urban scale and streetscape amenities, along with the use of high quality and durable exterior materials to create an attractive project that will stand the test of time. Our portfolio of projects provides a detailed testament to this ethic which is embodied in all of our developments.

The nature of our long term apartment investment philosophy will ensure quality construction and materials. We design with long term value in mind because our investors typically hold the property for 7-10 years after stabilization. Other merchant developers who may sell the project immediately after stabilization might be tempted to cut corners on materials selection and construction details as they won't suffer the long term impacts of this diminished value. Our long term investment perspective will ensure timeless architecture, high quality materials selection, and superior construction methods.

We have also ensured a high quality product by creating our own internal construction division, Legacy Partners Builders. By developing these capabilities in-house, we can keep a close eye on construction quality and detailing. By being a part of our larger company, our construction division has similar motivation to preserve long term value in the projects that we develop.

Legacy Partners has won numerous company awards for its projects nationally, including:

- 2002 "Builder of the Year" from Multifamily Executive Magazine
- 2002 Pillars of the Industry "Builder of the Year" from the National Association of Home Builders

Legacy Partners has also won several awards for local projects, including:

- **The Olympus, Seattle**
2003 Pillars of the Industry Finalist "Best Mid or High-Rise Community" from the National Association of Home Builders
- **Queen Anne High School, Seattle**
2008 Pillars of the Industry Finalist "Best Condominium Conversion" from the National Association of Home Builders

g. ENSURING QUALITY OPERATIONS

Legacy Partners has deep experience in developing and managing vibrant mixed-use communities in the Pacific Northwest. We are principally apartment developers and have leased approximately 2500 units over the last 10 years in our multiple projects around the region. In 2004, Legacy was a Pillars of the Industry finalist for "Property Management Company of the Year" from the National Association of Home Builders.

We have established and reliable methods for ensuring a high quality tenant mix in our projects. Some of our typical operating guidelines are:

- The use of a professional tenant screening system (On-Site.com)
- Rules and regulations on exterior and deck decorations
- \$250 refundable security deposit
- \$250 non-refundable application fee
- Pets are allowed only with deposit
- Monthly district manager check (3 page checklist)
- Ongoing staff training and education, both in person and on-line
- Annual audits of tenant files
- Annual unit inspections on turnover
- Veteran property managers with an average of over 20 years of experience.

John Hatton, Regional Vice President of Property Management, is responsible for overall property management operations for the Pacific Northwest region, lease-ups for new product and development and design planning for future Legacy Partners rental and for-sale communities. In addition to over 20 years of real estate experience,



John was the past President of the Institute of Real Estate Management (IREM). He has also been a Director of the Washington Apartment Association and Vice President of the Seattle/King County Apartment Association and is currently on the board of the Rental Housing Association of Puget Sound.

Legacy has an alignment of interests at all levels of our firm. Partners and Development Managers share in the financial success of the development project during both the construction and operation of a project. Our property management staff is incented by a combination of occupancy levels as well as tenant retention, to create a shared goal of attracting and retaining high quality tenants. This combination of incentive strategy keeps the interests of our entire team focused on creating and maintaining a project of enduring value.

Legacy Partners has experience operating in multiple different markets across the West Coast, and can bring the diversity of experience to bear on a pioneering project such as Tukwila Village. This depth of operating experience sets us apart from our competition, as we can draw on experiences from California, Texas, Colorado, and Arizona to help ensure a successful project.

We're also very selective in our recruitment of retail tenants. Given that we usually hold our projects for at least 7 to 10 years, our retail tenant selection mix is quite particular. Having the right mix of retailers to support and enhance our renter experience is critical to maintaining high occupancies.

h. PLANS TO USE GREEN, SUSTAINABLE, OR LOW-IMPACT DEVELOPMENT PRINCIPLES

We recognize that LEED certification is an admirable goal and a growing industry standard, and would make every effort possible to

include it in our planning and development of Tukwila Village. Recently we've found that the LEED certification for our rental projects has been cost prohibitive, but have found the BuiltGreen for Multi-family program a more efficient way to quantify the sustainability of our projects and invest more into the sustainability measures and less into expensive documentation. We currently have two projects under construction using BuiltGreen 4 star standards and strive to make our projects as energy and resource efficient as possible.

For the community policing station and library facilities, Legacy would pursue LEED certification if requested. Legacy and CollinsWoerman would also plan to address stormwater infiltration on the site through the use of bioswales and other on-site vegetation strategies.

Additionally, LIHI and their funding sources are fully committed to green building and would pursue the Evergreen Sustainable Development Criteria for the senior housing and townhome developments. The Evergreen Sustainable Development Criteria is a set of standards developed by the Washington State Housing Trust Fund and is required for all projects obtaining HTF funding after 2008. The goal of the program is to promote public health, energy conservation, operational savings and sustainable building practices in affordable housing design.

i. HOW YOUR APPROACH WILL "ACTIVATE THE SPACE"

Our proposal responds to each of the requests outlined in Appendix A. We have included a space for the Library, an expansive indoor/outdoor public plaza, space for the Police Neighborhood Resource Center, and a number of retail spaces that would be attractive to

a coffee shop or small restaurant operator. These spaces have been designed around the public plaza to focus activity around the library and retail spaces as a means of activating the plaza.

We have included in our proposal an indoor/outdoor plaza that is surrounded by the library and retail spaces in an effort to activate the plaza space. We envision the plaza to be partially enclosed by overhead garage doors that can open in nice weather to allow a flow of activity both indoors and out. The outdoor portion of the plaza will have a trellis of some sort to help create a sense of intimacy overhead. We have planned the site so that there is a large plaza space in addition to adequate parking for retail tenants.

The plaza will be surrounded by apartments on three sides which will help provide community eyes on the street. In addition, the rooftop of the indoor commons area will serve as the apartment building outdoor amenity space. This activity on the 2nd level of the project will help engage the lower plaza and provide additional eyes on the public areas.

Our proposal is designed specifically to activate the public space by partially enclosing the space on three sides with high traffic users. Library patrons will enter and exit the library through the plaza, and retail customers will pass through the plaza as well. We will work with the retail tenants to be open for business from morning through evening to capitalize on the library visitor traffic and maintain high levels of activity throughout the day.

The indoor portion of the space will have a private room that can be reserved for community functions, as well as a casual array of tables to be used for retail foodservice customers as well as



impromptu community gatherings. A public stage for community events and activities can also be created in the indoor plaza space. We ask that the City and Library join with the community and developer to assist in organizing the programming for the public plaza. We are happy to facilitate whatever uses of the space are mutually acceptable to the developer and the community, but the impetus for these programs really must come organically from the community. We request that the City and Library join together to fund a staff position to assist in organizing and programming the public space. We are happy to support this effort through the resources of our on-site property management team, but the leadership for the plaza programming must come collectively from the City, library and community leaders as well as the Developer.

j. YOUR PLANS TO INCLUDE ARTIST, SENIOR, OR WORKFORCE HOUSING.

Legacy recognizes the importance of creating a diverse community within Tukwila Village. To this end, we have included housing for artists, seniors and the workforce population within our design concept. Along the front of the apartment project, we have created live-work lofts for artists. We understand that the City of Tukwila would like a portion of the units to be affordable to the workforce earning 50% or higher of King County's area median income (AMI). In response to this request, we have created both market rate and affordable rental housing that accommodates a wide spectrum of the working population in Tukwila. Our initial market-rate apartment

rents and their affordability are outlined here:

Market Rate Rents and Affordability

Unit Type	# units	Rent	Minimum Income Required*	Affordable at:
Studio	80	\$1,125	\$45,000	90% AMI
1 Bedroom	80	\$1,237	\$49,480	100% AMI
2 Bedroom	40	\$1,450	\$58,000	100% AMI

**Rental apartments may rise with improving market fundamentals.*

Legacy purposely sought out a partner with the depth of experience in both senior housing and affordable for-sale housing to provide these types of housing within Tukwila Village. LIHI has a long history of developing income-restricted senior housing, and is currently developing several income-restricted, for-sale townhomes. The senior housing will be affordable to seniors with incomes under 50% of King County Area Median Income ("AMI"). The HUD 202 program provides annual operating subsidies to pay the difference between what the tenant can afford at 30% of their income and the cost of annual operations including an annual replacement reserve.

The for-sale townhomes will be affordable to individuals and families with incomes at or below 80% of King County AMI. Each home carries an affordability covenant that remains with the home, so the residence will always remain affordable to a buyer at 80% and under of the King County median income as defined by HUD.

k. ANTICIPATE PRE-SALES OR PRE-LEASING REQUIREMENTS.

Neither Legacy nor LIHI has any pre-sales or pre-leasing requirements for the residential developments. Legacy would anticipate having a signed lease for both the library and community policing station prior to commencing construction.







E-2 ILLUSTRATIVE DIAGRAMS



VICINITY PLAN



SITE PLAN

PHASE I.

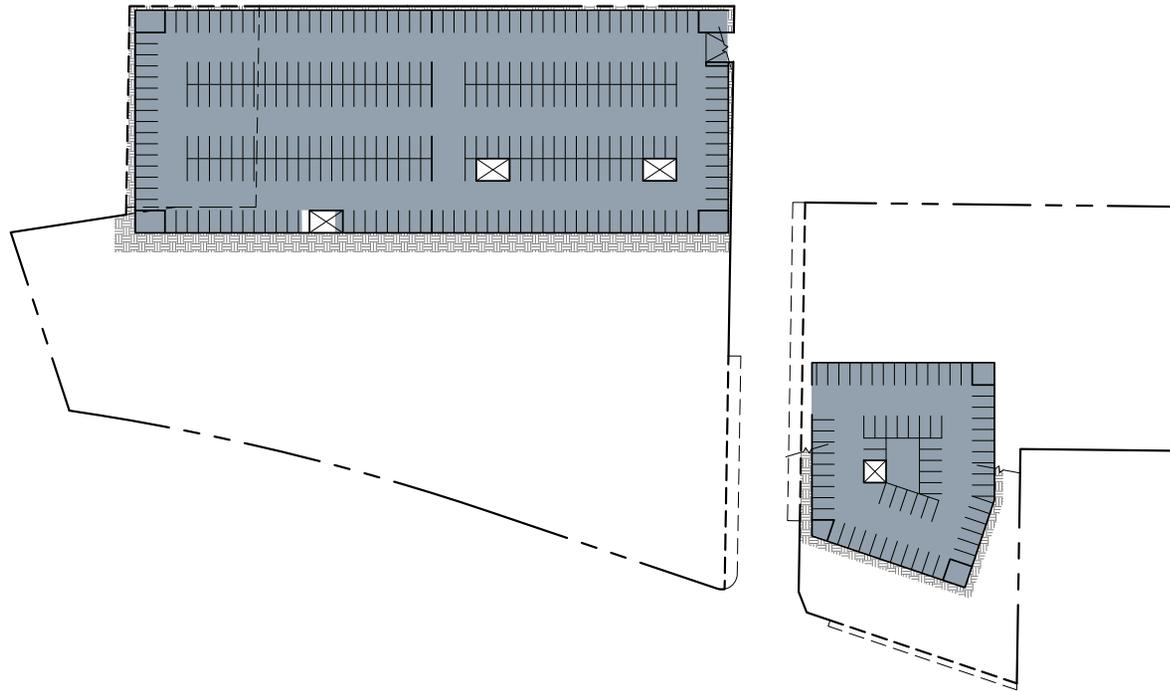
- Residential:** 200 apartments at an average size of 750 NRSF
- Residential Amenities and Lobbies:** 9,500sf
- Townhouses:** 25 units at an average size of 1200 NRSF. 22 parking stalls included within the townhouse structures
- Senior Housing:** 50 units at an average size of 550 NRSF
- Library:** 10,400sf with 2000sf of expansion space
- Retail:** 10,000+sf
- Community Policing Station:** 2,000sf
- Community Commons:** 3,400sf
- Community Plaza:** 8,000sf
- Parking:**
 - 270 underground parking spaces for the market rate apartments.
 - 33 surface stalls for the Library.
 - 10 surface stalls for the Senior Housing.
 - 5 stalls for the Community Policing Station
 - 5 guest stalls for the Townhouses
 - 39 surface stalls for retail users

PHASE II

- Residential:** 68 apartments or condos
- Retail:** 6,500 sf
- Parking:** 68 underground stalls and 12 surface stalls



BELOW GRADE PARKING PLAN



GROUND FLOOR PLAN

- Residential
- Senior Housing
- Townhouses
- Retail
- Community Commons
- Community Policing Station
- Library



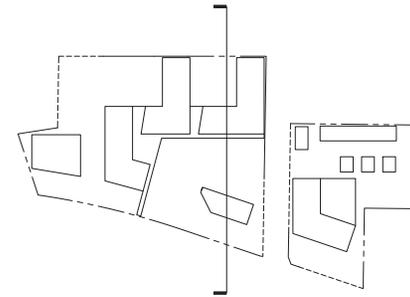
TYPICAL UPPER FLOOR PLAN

-  Residential
-  Senior Housing
-  Townhouses



SITE SECTION

-  Residential
-  Retail
-  Parking



SITE PERSPECTIVE



| JULY 15, 2008

COURTYARD PERSPECTIVE





E-3 COMMUNITY SUPPORT STRATEGY





COMMUNITY SUPPORT STRATEGY

3. STRATEGY FOR GAINING COMMUNITY AND AREA INPUT AND SUPPORT FOR THE DEVELOPMENT

Legacy team members Chris Meyer and Steffenie Evans will take an active role in developing a working relationship with community groups. Legacy Partners has a longstanding commitment to creating great communities and we feel that our past developments are good examples of the quality that we build into our projects. We want to make sure we learn about, and address, community concerns with Tukwila Village, as this project will be the cornerstone of the community.

The following are a few examples of Tukwila community groups and stakeholders we would meet with:

- Tukwila Arts Commission
- Tukwila Historical Society
- City of Tukwila Parks and Recreation Department
- Tukwila School District
- Tukwila Rotary Club
- Southwest King County Chamber of Commerce
- Tukwila Farmer's Market
- Seattle Southside Visitor's Service

In addition to our outreach efforts to existing organizations, we would also plan to host a number of community open houses to gather neighborhood input on the project from the general public. We acknowledge that the community wish list will be longer than we can accommodate, but we want to be sure to hear and understand all of the opinions and work hard to include as many of them as we can. This project will be the "living room" of the TIB community, and we want to make it as functional and attractive as possible to the many diverse members of the Tukwila community.





E-6 PROJECT SCHEDULE







E-8 PROPOSER EXPERIENCE



a. PROPOSER EXPERIENCE

LEGACY PARTNERS

Legacy Partners was created in October 1998 from the operations of the Western United States Region of Lincoln Property Company. From our roots in Northern California as a developer of multifamily communities, the Company has grown to serve clients in California, Arizona, Colorado, Nevada, Utah, Oregon, Washington and Texas. We are currently expanding across the United States.

The Company has developed more than 58,000 apartment homes, and our management portfolio includes more than 20,000 units. Our commercial division has developed more than 108 million square feet of office, research and development, warehouse, and retail projects at a cost of more than \$2 billion.

Legacy Partners has more than 1,000 team members in ten regional offices and manages greater than \$4 billion in real estate assets. The professionals of Legacy Partners bring a wealth of experience and expertise to their work to maximize returns on multifamily investments. Our residential property proficiency ranges from management and development to marketing and training. Professional teams work with every client to custom-design innovative programs that meet the demands of local markets. Our communities continually meet the industry's highest standards of quality construction, imaginative design, and superior service.

Legacy Partners is active in nearly every major market in the West. We anticipate continued growth in these markets and will focus our future efforts on increasing our presence in our current, as well as

new and emerging markets. Legacy Partners is currently developing more than 13 million square feet of commercial space and more than 4,000 housing units. We have the expertise to identify opportunities in the current real estate marketplace and the enterprise and financial strength to act for the benefit of investors, partners, tenants, clients and residents.

We are dedicated to staying a private company, which will give us greater flexibility to seek unique opportunities. This enables us to significantly expand our portfolio of owned and operated commercial and residential real estate throughout the United States.

- i. **Full legal name:** LEGACY PARTNERS RESIDENTIAL, INC
- ii. **Entity type:** Corporation
- iii. **Formation date:** 1968
- iv. **Principals, members and/or owners:**
Preston Butcher, Chairman of the Board
W. Dean Henry, President
Guy K. Hays, Senior Vice President of Finance
Kerry Nicholson, Senior Managing Director (PNW Region)
- v. **Primary contact regarding submitted proposal:**
Chris Meyer
Development Manager
Legacy Partners
(206) 275-4060
cmeyer@legacypartners.com

- i. **PRINCIPALS, MEMBERS AND/OR OWNERS OF THE DEVELOPMENT ENTITY.**
Preston Butcher, Chairman of the Board
Preston Butcher joined Lincoln Property Company's Dallas, Texas office in 1967 and founded Lincoln Property Company N.C., Inc. in

1968. In 1973, Mr. Butcher expanded the former Lincoln Property Company N.C., Inc. into the development of industrial and office space. In 1998 the five western offices of Lincoln elected to become part of a new enterprise called Legacy Partners. Since its original formulation as Lincoln and continuing through the Legacy Partners years, the organization has built over 39 million square feet of office and warehouse space throughout the western United States. On the residential side, Mr. Butcher has supervised the successful completion of over 51,000 apartment units in Arizona, California, Colorado, Nevada, New Mexico, Oregon and Washington. Mr. Butcher earned a Bachelor of Science degree in Electrical Engineering from the University of Texas. Mr. Butcher resides in California.

W. Dean Henry, President

Dean Henry has been directly responsible since 1969 for the development of more than 25,000 apartment units in California, Washington, Oregon, Utah and Colorado. Since 1973, he has been a partner in Lincoln Property Company and later Legacy Partners partnerships in various developments and currently is responsible for the construction, development and management of more than 16,000 apartment units located in the Western United States. Mr. Henry received his B.A. from the University of Puget Sound in 1969 and served on the Alumni Board for two years. Mr. Henry resides in California.

Guy K. Hays, Senior Vice President of Finance

Guy Hays is responsible for the overall financial control, legal review, and reporting on all apartment assets owned, developed, and acquired. Mr. Hays is also responsible for procuring and negotiating debt and equity financing for multi-family development and acquisition projects. Kenneth Leventhal and Company in Dallas,



Texas previously employed him. Mr. Hays lives in California.

Kerry Nicholson, Senior Managing Director (PNW Region)

Kerry Nicholson has been the development partner for the Pacific Northwest since April 1999 for the residential portion of the company. In this position, he is responsible for the development, construction and property management of multi-family for-rent projects. Prior to joining Legacy Partners, Mr. Nicholson financed the Northwest commercial real estate industry for over two decades. Beginning in 1978, he held executive positions with Wells Fargo, Bank of America, Washington Mutual and GE Capital Real Estate. During that time he made capital commitments in excess of \$2 billion. He holds a B.A. degree (Phi Beta Kappa) from the University of California at Berkeley and an MBA from the University of Chicago. Mr. Nicholson resides in Seattle, WA.

ii. PROJECT MANAGER

Christopher Meyer, Development Manager PNW Region)

Christopher Meyer has over 10 years of real estate development experience in the Pacific Northwest. Mr. Meyer is currently the Development Manager for the Legacy at Pratt Park project, a 248 unit market rate apartment project under construction in Seattle. Previously, Mr. Meyer was a Senior Project Manager for Parkwood Business Properties, the leading developer of commercial office and industrial space in Coeur d'Alene, Idaho. During his tenure he supervised the development of over 500,000 sf of Class "A" office and industrial space. Mr. Meyer holds an MBA degree and a Master of Urban Planning degree from the University of Washington, and a B.A. degree from the University of Pennsylvania. Mr. Meyer resides in Seattle, WA.

iii. FINANCIAL PARTNERS

Legacy Partners has relationships with many financial partners. Once we have executed a PSA with the City of Tukwila and settled on our site plans we will solicit a financial partner for this project. Our recent financial partners in the Puget Sound region include BlackRock Realty Advisors, AIG Realty, Cornerstone Advisors and Capmark for equity financing and Bank of America and Capmark for debt financing.

iv. OTHER

Chuck Fenno, Senior Vice President of Construction (PNW Region)

Chuck Fenno recently joined Legacy Partners Builders, Inc. to manage the construction activities in the Pacific Northwest region. Mr. Fenno has 25 years experience in the construction industry, holding positions with general contractors and representing developers. In the local market, he was employed by Lease Crutcher Lewis for 18 years, managing projects of up to \$55,000,000 in value. Mr. Fenno has been involved with a variety of different types of construction including multi-family residential. He holds a B.S. degree in Construction Management from the University of Washington. Mr. Fenno resides in Redmond, WA.

John Hatton, Vice President (PNW Region)

John Hatton joined Legacy Partners in 2000. His responsibilities include overall property management operations for the Pacific Northwest region, lease-ups for new product and development and design planning for future Legacy Partners rental and for-sale communities. Mr. Hatton possesses over 20 years of diverse real estate experience having held a wide range of positions in all aspects of property management. In addition to his expertise in managing multi-family communities, John has served as president for a promi-

nent West Coast firm providing services to the rental housing industry. Mr. Hatton was the president of the Institute of Real Estate Management (IREM), Chapter #27 during 2003 and has long been involved in the organization. Mr. Hatton is a past director of the Washington Apartment Association and Vice President of the Apartment Association of Seattle/King County. He is a regular instructor at property management educational conferences and trade shows. Mr. Hatton resides in Bothell, WA.

Steffenie Evans, Development Analyst (PNW Region)

Steffenie Evans recently joined Legacy Partners as a Development Analyst. Before joining the team at Legacy Partners, Ms. Evans spent six years in commercial real estate brokerage. While employed by Cushman & Wakefield, she closed 11 sales worth \$170 million and has recently served as a consultant to a start-up commercial brokerage firm. During business school, Ms. Evans worked on development projects with Opus Northwest and the Low Income Housing Institute. She holds an MBA degree from the University of Washington and a B.A. degree from Rice University. Ms. Evans resides in Seattle, WA.



LEGACY PARTNERS EXPERIENCE:
RIVER PARK

SUMMARY

River Park is a 6.14-acre, mixed-use project in downtown Redmond, Washington containing residential, office, retail and parking. Legacy Partners is the Master Developer for the site.

Address: 7803-7905 159th Place NE, Redmond, Washington 98052

Project Value: \$105 million

Project Detail:

- 112,000sf Office Building: ING Clarion
- Group Health is primary tenant
- 144-room Hotel: Hotel Sierra by Lodgeworks
- 3 Apartment Buildings (319 units): Legacy
- 12,000 sf ground-floor Retail
- 720 stall, 3-level parking garage
- Commercial condominium ownership structure
- Shared parking, landscaping and operating expenses

CONSTRUCTION LENDER AND AMOUNT

Equity Investor: BlackRock Realty

Construction Lender: Bank of America (\$68,551,000 construction loan for residential portion)

Role of Proposer in the project: Master Project Developer, General Contractor and Asset Manager

Role of Public Development partner: n/a

Status: Under construction, with an expected completion in June 2009.

References: James Geimer, VP of Development
(206) 275-4060



LEGACY PARTNERS EXPERIENCE: LEGACY AT PRATT PARK

SUMMARY

Legacy is currently constructing this six-story, 248-unit market rate apartment project on First Hill in Seattle. The apartments are built on top of a three-story concrete parking garage/podium.

Address: 1800 South Jackson, Seattle, Washington 98144

Project Value: \$74 million

Project Detail:

- 100% luxury, market rate units (80-110% median income)
- Average unit size: 795 sf
- 6,500 sf of retail space
- 367 parking stalls

CONSTRUCTION LENDER AND AMOUNT

Equity Investor: BlackRock Realty

Construction Lender: Bank of America (\$48,676,000 construction loan)

Role of Proposer in the project: Developer, General Contractor and Asset Manager

Role of Public Development partner: n/a

Status: Under Construction with an expected completion date of June, 2009

References: Chris Meyer, Development Manager
(206) 275-4060



LEGACY PARTNERS EXPERIENCE:
BELLEVUE TOWER

SUMMARY

Bellevue Tower is a 20-story, 221-unit luxury high-rise apartment development in the heart of downtown Bellevue.

Address: 200 106th Avenue NE, Bellevue, Washington 98004

Project Value: \$107 million

Project Detail:

- 100% luxury, market rate apartment units
- Average unit size: 844 sf
- 309 parking spaces
- 14,250 sf retail

CONSTRUCTION LENDER AND AMOUNT

Equity Investor: Cornerstone Advisors

Construction Lender: Bank of America

Role of Proposer in the project: Developer, General Contractor and Asset Manager

Role of Public Development partner: n/a

Status: Pre-development

References: Glen Scheiber, Development Manager
(206) 275-4060



LEGACY PARTNERS EXPERIENCE: FRONT 9

SUMMARY

Legacy Partners is currently renovating and converting 264 units of apartments located along Harbor Pointe golf course to condominiums. Renovations include unit interiors, sales office/ fitness room and BBQ/ fire pit.

Address: 12303 Harbour Pointe Blvd., Mukilteo, Washington 98275

Project Value: \$56 million

Project Detail:

- Average unit size: 877 sf
- Average price: \$231/sf

CONSTRUCTION LENDER AND AMOUNT

Equity Investor: Capmark

Debt: Capmark

Role of Proposer in the project: Owner and Project Manager

Role of Public Development partner: n/a

Status: Completing condo conversion and supervising unit sales

References: John Hatton, VP of Property Management
(206) 275-8211



LEGACY PARTNERS EXPERIENCE:
CAMPUS GROVE

SUMMARY

Legacy is currently implementing a full exterior and interior rehabilitation of 71 town-house-style structures containing 3-7 units each.

Project Detail:

- Average unit size: 1,227 sf
- Average rent/sf: \$0.85/sf before, \$1.02/sf after

CONSTRUCTION LENDER AND AMOUNT

Equity Investor: Cornerstone

Debt: n/a

Role of Proposer in the project: Project Manager and Asset Manager

Role of Public Development partner: n/a

Status: Redevelopment, with an expected completion of

References: John Hatton, VP of Property Management
(206) 275-8211



LEGACY PARTNERS EXPERIENCE: QUEEN ANNE HIGH SCHOOL

SUMMARY

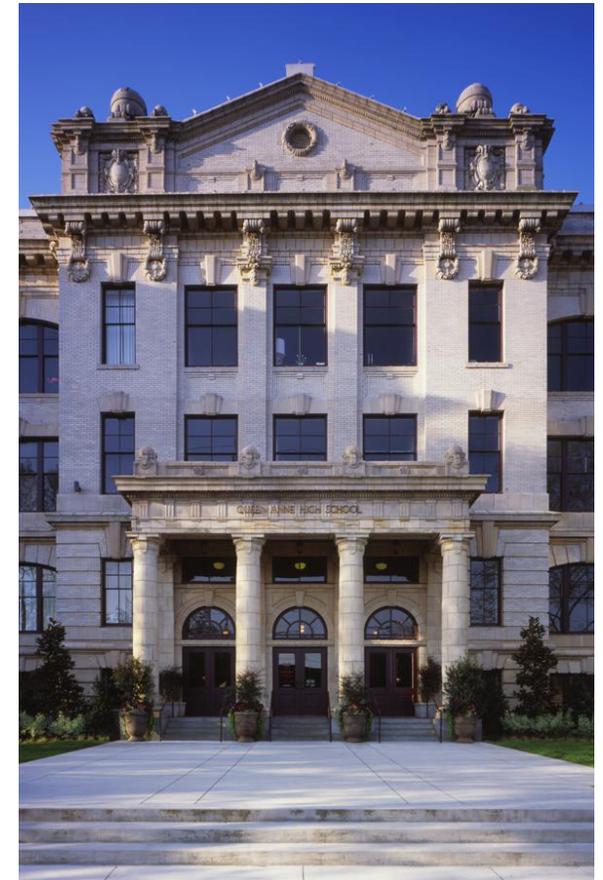
Legacy Partners renovated and converted this former public high school built in phases from 1909-1987 (converted into residential use by Lorig in 1986). Renovation includes unit interiors, common areas and building exteriors.

Address: 201 Galer Street, Seattle, WA 98109

Project Value: \$63.5 million

Project Detail:

- 137 units
- Average unit size: 812 sf
- Average sales price: \$562/sf



CONSTRUCTION LENDER AND AMOUNT

Equity Investor: AIG

Debt: Bank of America

Role of Proposer in the project: Owner and Project Manager

Role of Public Development partner: n/a

Status: Completing condo conversion and supervising unit sales

References: John Hatton, VP of Property Management
(206) 275-8211



LEGACY PARTNERS EXPERIENCE:
SIMILAR PROJECT DETAILS



RIVER PARK

1. **Role of public agencies, if any:** N/A
2. **Total development cost:** \$105,244,000
3. **Time between project milestones:**
 - a. **Property acquisition:** The property was originally purchased in December of 2000. The ensuing economic downturn in the Puget Sound market forced us to postpone the project until market conditions recovered. While waiting out the cycle was financially painful, we persevered in our vision of creating a vibrant mixed use community on the front gateway to Redmond. In July of 2007 we initiated our current development on the site with a mix of office, apartment and hotel users.

- b. **Construction financing obtained:** 3/2008 (residential)
- c. **Start of construction:** 7/2007 (garage)
- d. **Opening/first tenant:** October 2008 (office)
July 2009 (residential/hotel)
4. **Marketing and sales performance:**
 - a. **Level of prelease/sales at opening:** TBD
 - b. **Length of time from opening until lease/sales equaled 90% occupancy:** TBD
5. **Contact references for:**
 - a. **Construction lender:** Bank of America, Jeanmarie Curtis, (415) 622-5035
 - b. **General contractor:** John Bullwinkel, Howard S. Wright Constructors, (206) 447-7572
 - c. **Sales/leasing broker:** Legacy Partners Management, John Hatton, (206) 275-8211

6. **Role of current develop-ent entity and/or principal(s) in the project:** Master Project Developer for shared site improvements and common parking garage; Developer for residential component.
7. **Architectural quality and urban design characteristics.**
The design character of River Park is contemporary with significant glass facades. Legacy has created an active pedestrian arcade with commercial and retail uses facing interior of site, very similar to the pedestrian orientation we intend to create within Tukwila Village.
8. **Explanation of any regulatory or land use issues that required resolution:** Typical Redmond entitlements including Development Agreement, Regulatory Agreement promoting workforce housing, Design Review Board approval, Site Plan Entitlement documentation.

CURRENT PROJECTS THAT DRAW UPON
FINANCIAL AND STAFFING CAPACITY

1. **Project description and status (including location, size, cost, etc.)**
River Park (under construction)
Pratt Park (under construction)
Bellevue Tower (in design and entitlement)
See 8d above for details
2. **Construction lender and amount (if known)**
See 8d above for details
3. **Permanent financing (if known)**
See 8d above for details
4. **Role of the development entity in the project.**
See 8d above for details

b. PROPOSER EXPERIENCE

LOW INCOME HOUSING INSTITUTE (LIHI)

The Low Income Housing Institute's mission is to develop, own and operate housing for the benefit of low-income families and individuals in Washington state, encourage the active participation of residents in the management of their housing, and advocate for just housing policies at the local and national levels. Since being founded in 1991, we have grown to be one of the most productive nonprofit housing developers in the Pacific Northwest. LIHI staff has completed the development of over 3,000 units and has raised over \$260 million in capital, operating and supportive services funding from private and public sources. Currently, LIHI owns or manages 48 properties containing over 1,600 housing units, providing homes for low-income families, individuals, seniors, people with disabilities, and women and children at risk. More than five hundred of these units are set aside for homeless persons. Seventy-five percent of our housing units serve families or individuals earning less than 30 percent of the area median income.

- i. **Full legal name:** Low Income Housing Institute (LIHI)
- ii. **Entity type:** Non profit corporation with a 501 3c designation
- iii. **Formation date:** September 18, 1991
- iv. **Principals, members and/or owners:** LIHI has a volunteer board of directors.

v. **Primary contact regarding submitted proposal:**

Karen Anderson-Bittenbender
Deputy Executive Director
Low Income Housing Institute
(206) 957-8050
karenab@LIHI.ORG

i. **PRINCIPALS, MEMBERS AND/OR OWNERS OF THE DEVELOPMENT ENTITY.**

Sharon Lee, Executive Director

Ms. Lee oversees a staff of 110 engaged in housing development, management, resident services and advocacy. A highly skilled staff of housing finance professionals develops housing for LIHI's portfolio and provides technical assistance to other nonprofit sponsors to increase the supply of low-income housing. Ms. Lee has specialized technical expertise in housing finance, development and design. Ms. Lee is also a well-known housing advocate who was instrumental in setting up the Washington State Housing Trust Fund, and continues to be active in housing policy, low-income housing preservation and housing justice issues. LIHI also coordinates the Washington Reinvestment Alliance (WRA), which encourages financial institutions to undertake CRA activities and invest in housing and economic development. Ms. Lee has received numerous awards for her dedication and accomplishments in the housing field.

Ms. Lee has a Master of Architecture and a Master in City Planning from the Massachusetts Institute of Technology. She has a BA in Urban Studies from the University of Pennsylvania. Before her involvement in the foundation of LIHI, Ms. Lee served as the Director of Housing Development for the Fremont Public Association, a community action agency. From 1983 to 1987, Ms. Lee directed

and coordinated activities of the Seattle City Council Urban Redevelopment Committee as Legislative Aide to Councilman Paul Kraabel. Prior to moving to Seattle, Ms. Lee worked as an Architectural Designer for John Sharrett Associates in Boston and as a Planner for the Boston Housing Authority.

Karen Anderson-Bittenbender, Deputy Executive Director

Ms. Anderson-Bittenbender has extensive experience in housing development that spans the private and non-profit sector. She has been involved with more than 20 projects and has worked with complex and challenging funding project with four or more sources ranging from Washington Community, Trade and Economic Development funding to private bank loans. She is also an expert in infill development, innovative projects, neighborhood need assessment and condominiums. Mr. Anderson-Bittenbender holds a B.A. in Sociology from the University of Hawaii, a M.S. in Social Administration from Case Western Reserve University, and an MBA from Seattle University.

ii. **PROJECT MANAGER**

Michael Woo, Associate Developer

Mr. Woo has come to LIHI with experience in development project financial modeling, feasibility analysis, and valuable knowledge in development. He has hired and directed consultants from Architects to General Contractors, developed and managed budgets/proformas, negotiated and wrote contracts, and hired contractors. He is currently overseeing construction and predevelopment on three LIHI projects. Mr. Woo holds a B.S. in Civil Engineering and B.A. in Architectural Studies from the University of Washington.



LIHI EXPERIENCE: COPPER LANTERN, KENMORE, WA

SUMMARY

This is a 33 unit town home/condo flats project located on 1.1 acres of land, and is now under construction.

Address: 7026 NE 182nd Street, Kenmore, WA

Project Value: \$8.7 million

Project Detail:

- 1, 2, 3 and 4 bedroom homes affordable to 1st time home-buyers at 80% or under of the King County median income.
- There is an affordability covenant for each home so it will always remain affordable to a buyer at 80% and under of the King County median income as defined by HUD. Our prices are fixed at an affordability level for this buyer.
 - 1 bedroom: \$161,000
 - 2 bedrooms: \$199,000
 - 3 bedrooms: \$ 224,000
 - 4 bedrooms: \$240,000

CONSTRUCTION LENDER AND AMOUNT

Equity Investors: King County HOME and CDBG
State Housing Trust Fund: Federal Home Loan Bank
ARCH via the City of Kenmore, City of Woodinville and the
City of Kirkland Foundation Grants:

Construction Lender: Wells Fargo \$5.6mm

Role of Proposer in the project: Developer

Role of Public Development partner: Equity source

Status: Expected completion in 2009.

References: Mike Woo, LIHI Project Manager
(206) 443-9935



LIHI EXPERIENCE: DEARBORN TOWN HOMES

SUMMARY

Dearborn Commons includes the construction of 15 townhouses located in Southeast Seattle. The City of Seattle Office of Housing will facilitate the transfer of this city-owned property at below market value to LIHI for affordable homeownership housing. LIHI will employ the use of a ground-lease, modeled after a community land trust, to ensure long-term affordability. LIHI is working with a number of community agencies including the Urban League, International District Housing Alliance and Fremont Public Association to offer pre-purchasing counseling, homebuyer education and IDA accounts to assist first-time homebuyers.

Address: 1618 & 1638 S. Dearborn Street Seattle, WA

Project Value: \$4.9mm

Project Detail:

- 15, 2 bedroom/1 car garage town homes (zero lot line)
- Community ground lease structure to ensure long-term affordability

CONSTRUCTION LENDER AND AMOUNT

Equity Investors: State Housing Trust Fund

Federal Home Loan Bank: City of Seattle

Construction Lender: \$3.2mm, lender TBD

Role of Proposer in the project: Developer

Role of Public Development partner: City of Seattle Office of Housing provided the land at below market value

Status: Construction is anticipated to begin in August of 2008 with an expected completion in the summer of 2009.

References: Mike Woo, LIHI Project Manager
(206) 443-9935



LIHI EXPERIENCE: CASCADE SENIOR HOUSING

SUMMARY

This project consists of 50, low income senior housing units located in the South Lake Union Neighborhood on the corner of Republican and Minor.

Address: 424 Minor Ave. N. Seattle, WA

Project Value: \$13 million

Project Detail:

- Residency restricted to those aged 62 and up with incomes under 50% of King County median income
- This 6 story building is composed of 32 studio, 17 one-bedroom units and a one-bedroom unit for an onsite resident manager.
- It has a large amenity area including a green roof with pea patch garden and walking/jogging trail, dog walking area, community room, library with computer area and a small meeting/craft room.

CONSTRUCTION LENDER AND AMOUNT

Equity Investors: \$5,761,300 in capital funding from the U.S. Department of Housing and Urban Development (HUD)

Washington State Housing Finance Commission 9% tax credit program

Construction Lender: N/A

Role of Proposer in the project: Developer

Role of Public Development partner: Washington State Housing Finance Commission: Tax Credits

Status: Construction started in April 2008 and will be completed in April 2009

References: Mike Woo, LIHI Project Manager
(206) 443-9935



LIHI EXPERIENCE: SIMILAR PROJECT DETAILS

CASCADE SENIOR HOUSING

1. **Role of public agencies, if any:** The Department of Housing and Urban Development provided funding through the 202 Senior Housing Program and the Washington State Housing Finance Commission provided funding through the 9% tax credit program. Since the neighborhood was an eligible Qualified Census Tract, LIHI received 30% more in tax credits for each unit above the maximum allowed. With these 2 sources LIHI was able to finance the entire project.
2. **Total development cost:** \$13 million
3. **Time between project milestones:**
 - a. **Property acquisition:** March 2008
 - b. **Construction financing obtained:** November of 2006
 - c. **Start of construction:** April 2008
 - d. **Opening/first tenant:** April 2009
4. **Marketing and sales performance**
 - a. **Level of prelease/sales at opening:** In September, LIHI will begin the process of "marketing" these apartments to this senior citizen group and establishing the wait list. In January we will then begin the process of qualifying tenants on a first come first service basis to move in to start in April.
 - b. **Length of time from opening until lease/sales equaled 90% occupancy:** TBD
5. **Contact references for:**
 - a. **Construction Lender/Tax Credit Investor:** Enterprise Community Investment, Inc.: Valeri Pate, vpate@enterprisecommunity.com, (206) 223-4518

b. General contractor:

Synergy Construction: Pam Stewart,
pstewart@synergyconstruction.com, (425) 488-4500

c. Sales/leasing broker: N/A

6. **Role of current development entity and/or principal(s) in the project:** Developer
7. **Architectural quality and urban design characteristics:** LIHI's Cascade Senior Housing will set another compelling example of the beautiful and well designed affordable housing that can be built using HUD 202 financing, while providing vital housing for Seattle's aging community.
8. **Explanation of any regulatory or land use issues that required resolution:** The site was zoned correctly and met our building height needs, so we were able to design 50-units onto the site



i. CURRENT PROJECTS THAT DRAW UPON FINANCIAL AND STAFFING CAPACITY

LIHI is currently in the predevelopment, design or construction phase on Lake City Court, Copper Lantern, Cascade Senior Housing, Dearborn, and First Place Affordable Housing. Details on the Copper Lantern, Cascade Senior Housing and Dearborn can be found above.

LAKE CITY COURT

1. **Project Description and Status**
Project Name: Lake City Court
Location: 12730 NE 33rd Avenue, Seattle
Size: 75-unit apartment with a food bank, a medical clinic, and community space.
Cost: \$16 Million
2. **Construction Lender and amount:** KeyBank, N.A., \$3 Million
3. **Permanent financing:** The Public Funders provide permanent financing
4. **Role of the development entity:** Developer

FIRST PLACE AFFODABLE HOUSING

1. **Project Description and Status**
Project Name: First Place Affordable Housing
Location: 170 20th Ave, Seattle
Size: 28 apartments with daycare, offices, and playground
Cost: \$11 Million
2. **Construction Lender and amount:** KeyBank, N.A., \$4 Million
3. **Permanent financing:** The Public Funders provide permanent financing
4. **Role of development entity:** Development consultant

c. PROPOSER EXPERIENCE COLLINSWOERMAN

- Full service architecture, planning and interior design; established 1988.
- Specializes in six marketplaces: Commercial Architecture, Mixed-Use/Residential, Healthcare,
- Science and Technology, Urban Design and Planning and Interior Architecture and Design.
- Staff of 120 consists of architects, planners, designers, entitlements specialists, technical architects, interior designers, CAD specialists and LEED® Accredited Professionals.
- Since 1988, CollinsWoerman has delivered more than 20 million square feet of buildings, with a construction value of over one and a half billion dollars.

Our Philosophy

CollinsWoerman has fine tuned a planning, design, and delivery process that's congruent with our vision for architecture in the information age. Its foundation is teamwork.

We've broken down traditional barriers between planning, architecture, engineering, construction, and related disciplines. We believe the best solutions emerge from solid communication and cooperation — and we know how to orchestrate them.

Cutting edge design

At CollinsWoerman, we believe that the best design work balances market forces with innovation and creativity. We believe there are

design opportunities in each project, regardless of size or scope. Each project has unique circumstances, and we approach each one without preconceptions. We strive for simplicity and elegance in all of our design solutions.

They represent the client's needs, an appropriate response to market conditions, and a lasting contribution to the built environment.

Project delivery and coordination

Effective project delivery is an art, not a science. There is no universal formula that leads inevitably to success in delivering a project on time, on budget, under control, and above expectations. It takes a disciplined approach, and an experienced team — each member of which shares a common vision for success.

Most importantly, it takes a mindset to think differently about how to overcome the obstacles that are inherent in the development process.

What do we believe leads to success?

Our method is simple: Develop an evaluation and decision track working from broad to narrow scope; build on well-informed decisions; ask, don't guess, and never move forward with flawed information or assumptions; and stop if you are not certain of success at every level.

- Full legal name:** CollinsWoerman
- Entity type:** LLC
- Formation date:** 1988
- Principals, members and/or owners:**

Arlan Collins, Mark Woerman, Phil Giuntoli, Helen Brown, Tom Hudson, Scott Brown

Primary contact regarding submitted proposal:

David Spiker
Project Manager
CollinsWoerman
(206) 245-2100
dspiker@collinswoerman.com

i. PRINCIPALS, MEMBERS AND/OR OWNERS OF THE ENTITY.

Mark Woerman, Principal

Mark has 30 years of experience, 20 as a partner of CollinsWoerman in charge of the firm's commercial market sector. He has served as project principal for many of our most prominent urban projects, including the 1 million sf 2200 mixed-use project, which includes 93,000 sf retail, 260 residential units, and a 160-unit five-star hotel, along with on-site amenities such as an urban grocery store, restaurants, a bank, health and fitness facilities, and numerous lifestyle retailers and services.

ii. PROJECT MANAGER

David Spiker, Associate Principal

David has 30 years of experience in all aspects of architecture, urban design and project management, with particular expertise in complex civic, institutional, residential and commercial projects. Over the course of his career he has repeatedly demonstrated the ability to convert abstract, complex visions into concrete reality, fully cognizant of how program, site, implementation strategies, and budgets guide development.

A two-term chair of the Seattle Design Commission, David also co-chairs the AIA Seattle Urban Design Committee and chairs the Light Rail Review Panel. He's a member of the Congress for the

New Urbanism, Allied Arts, the Downtown Seattle Association, Consolidated Works, COCA, the Waterfront Design Partners Planning Group, and the Alaskan Way Viaduct & Seawall Leadership Group and publishes regularly in publications including ARCADE, Architecture, Progressive Architecture, Metropolis, Restaurant Design and Perspecta 16, The Yale Architectural Journal. He has also taught at the New Jersey Institute of Technology, the New York Institute of Technology and Pennsylvania State University and served as a juror at Yale University, Pratt Institute, Columbia University, City University of New York and the University of Washington.

iii. OTHER

Pat Logan, Project Designer

Pat has 24 years of experience in design, management, master-planning and technical planning of projects, including healthcare, commercial, institutional, and residential. He received his Bachelor of Architecture from the University of Idaho and completed undergraduate coursework at Stanford University. Pat has worked on many successful projects with CollinsWoerman, including 2200, Fautleroy Place, Alderbrook Resort, and the Port of Bellingham master plan.

Brian Walters

Brian has contributed to the success of projects such as the Green Lake Mixed use development and Bastyr University Student Housing, together totaling over 300 residential units. Brian is a LEED Accredited Professional and holds a Master of Architecture and Bachelor of Science in Architectural Studies from Washington State University.



2200
SEATTLE WA

Urban mixed-use project serving as a catalyst for the redevelopment of the South Lake Union neighborhood.

One million sf project includes 93,000 sf retail, 260 residential units, and a 160-unit five-star hotel, six levels of subgrade parking for 748 cars and above-grade parking for 50.

On-site amenities include an urban grocery store, restaurants, a bank, health and fitness facilities, and numerous lifestyle retailers and services. Completed 2006.

Winner, ULI 2007 Award of Excellence.
Winner, 2007 Gold Nugget Grand Award for Attached Urban Residential Project of the Year.



WASHINGTON SQUARE
BELLEVUE WA

Mixed-use project providing a significant neighborhood and regional destination in Bellevue's Ashwood District. Its first phase, currently under construction, consists of one of a pair of residential towers and below-grade parking and infrastructure for both.

At full buildout, Washington Square will include five luxury residential towers (1,221 residences); 110,000 sf of retail and restaurants; a 200-room boutique hotel; world-class spa and fitness center; office tower, and four levels of parking (2,800 stalls).





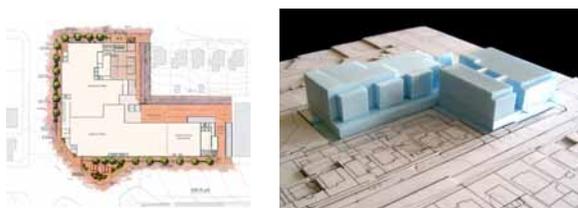
ALEXAN GREEN LAKE
SEATTLE WA

Four-story, 205-unit mixed-use project on a highly visible site adjacent to Seattle's Green Lake Park. The project will have three levels of residences over a level of pedestrian-oriented neighborhood retail, a series of live-work spaces, and residential units clustered around ground-level courtyards. The design provides two levels of below-grade parking.



FAUNTLEROY PLACE
SEATTLE WA

West Seattle project currently envisioned as an approximately 450,000 sf mixed-use building containing four levels of parking, two levels of retail (with a Whole Foods Market and Hancock Fabrics as proposed tenants), and 150+ residential apartments on four levels above the retail floors. The project has received a Master Use Permit from the City of Seattle.



**FAIRHAVEN HARBOR
CONDOMINIUMS**
BELLINGHAM WA

Urban infill mixed-use/residential project of 228,000 sf that includes an eight-story building plus a penthouse, a series of two-story townhouses, and a sub-grade two-level parking garage. Project site is located next to the historic Fairhaven neighborhood and exists partially within a shoreline/wetland zone. Completed through Schematic Design.





SALEM MIXED-USE SALEM OR

Mixed-use project with site in heart of downtown Salem, Oregon, partially overlaying the historic district. Approximately 70 residential units; 60,000 sf office; 60,000 sf retail, along with structured parking.



KAMKON RIVERFRONT DEVELOPMENT SEATTLE WA

CollinsWoerman has been working with Kamkon Development since the beginning of 2006 on a waterfront mixed-use community along the Columbia River. Project scope includes a total of 385 residential units, a community farmers market, and neighborhood goods and services.

A key component in the project is the North/South riverside drive connector which bisects the property and connects to an envisioned waterfront community for the City of Wenatchee.



ALDERBROOK RESORT RE- DEVELOPMENT UNION WA

Design for the expansion and redevelopment of this renowned 90-year-old waterfront resort overlooking Hood Canal and the Olympic Mountains. Includes main lodge, 21 cottage buildings, a pool pavilion, and a 34-room addition to create a 98-key destination hotel, spa, marina and conference center. Design highlights, protects and enhances the site's fragile saltwater shoreline and freshwater streams.

Designed in collaboration with Dan Foltz, AIA. Named an Editor's Pick and one of *Travel + Leisure*'s Top 100 Hotels and Resorts in the US and Canada in the magazine's "Best of 2006: The World's Greatest Hotels, Resorts and Spas" issue.

