

RESPONSE TO REQUEST FOR QUALIFICATIONS



TUKWILA VILLAGE

Submitted to

City of Tukwila

Office of the Mayor
6200 Southcenter Boulevard
Tukwila, WA 98188

Presented by

Tukwila Village Development Associates, LLC

April 29, 2011

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EXHIBITS

Exhibit A	Organizational Chart
Exhibit B	Statement of Experience – Senior Housing Assistance Group (SHAG) and Senior Housing Assistance Corporation (SHAC)
Exhibit C	Statement of Experience – Pacific Northern Construction Company, Inc.
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Exhibit E	Project Summaries: Arrowhead Gardens, Linden Place at Bitter Lake, and Rainier Court Master Plan Community
Exhibit F	Bank References – Construction Lenders for Prior Developments
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Exhibit H	Firm Profile, Housing, Resumes, and Fact Sheet – Johnson Braund Design Group, Inc.
Exhibit I	Statement of Experience – Inter-City Contractors, Inc.
Exhibit J	Statement of Experience – Independent Living Associates, LLC
Exhibit K	Demographic Analysis
Exhibit L	HealthPoint Expression of Interest



RESPONSE TO REQUEST FOR QUALIFICATIONS

APPLICATION

Principal Development Firm

Name: Tukwila Village Development Associates, LLC

Address: 201 - 27th Avenue Southeast, Building A, Suite 300, Puyallup, WA 98374

Website: www.housing4seniors.com

Please describe the legal structure of the applicant organization (e.g. sole proprietor, general partnership, LLC, corporation, etc.): The applicant is a Washington limited liability company. See the Organizational Chart attached hereto as **Exhibit A** illustrating the legal relationships between the principals and affiliates of the applicant organization.

Please list the principals of the organization with name and title. The sole members and managers of the applicant are: (i) Senior Housing Assistance Corporation, a Washington corporation ("SHAC"); and (ii) Pacific Northern Construction Company, Inc., a Washington corporation ("PNCC").

Please describe the size and staffing of the organization. The applicant itself will have no staff or employees. All staffing and management will be provided by the shareholders, officers and employees of the members and managers of the applicant, SHAC and PNCC, as well as the shareholders, partners, members, officers and/or staff of the affiliates of SHAC and PNCC. Together, SHAC, PNCC and their affiliates constitute a full-service development, construction, operating and management company, specializing in the development, construction, operation and management of stand-alone, mixed-use and mixed-income affordable senior living rental apartment communities. SHAC is a wholly-owned subsidiary of the Senior Housing Assistance Group, a Washington non-profit corporation ("SHAG"), the largest operator of affordable senior living rental apartment communities in the State of Washington. See the Statement of Experience of SHAG and SHAC attached hereto as **Exhibit B**, which identifies the principal officers, directors and staff of SHAG and SHAC. See the Statement of Experience of PNCC attached hereto as **Exhibit C**, which identifies the prior experience and principal officers, directors and staff of PNCC. The sole shareholders and principal officers of PNCC are Bryan M. Park, President, and Paul Scott Price, Vice President. See the Statement of Experience of Bryan M. Park, President and principal shareholder of PNCC, attached hereto as **Exhibit D**.

Primary Contact Person

Name: Bryan M. Park

Phone: (253) 231-5001

Email: bryanp@housing4seniors.com

Principal Developer's General Experience

- 1) Provide a description of your firm's qualifications based on prior development experience, preferably for at least three projects. For each project, describe the project, your firm's role in the development, your firm's capital contribution to the project, the architect, lenders and other financial partners, general contractor, and timeline. *Note: Please include images showing the final product.*

The applicant is eminently qualified to undertake the proposed development of Tukwila Village, consistent with the City's vision, as demonstrated by the principal developer's extensive prior development experience with mixed-use developments of a similar scope and complexity. The applicant and its affiliates constitute an integrated, full-service development, construction and management organization who have jointly developed and continue to own and operate affordable rental apartment communities in more than thirty (30) locations in the Puget Sound region containing more than 4,500 dwelling units, including several large mixed-use, mixed-income and multi-phase affordable senior living communities and affordable family living communities. The applicant has selected three (3) prior mixed-use developments of a similar scope and complexity to underscore the firm's qualifications and capabilities to undertake the proposed development of Tukwila Village. These selected projects include (i) Arrowhead Gardens, a 449-unit affordable senior living rental apartment community located in the Highland Park Neighborhood of West Seattle; (ii) Linden Place at Bitter Lake, a two-phase mixed-use development consisting of a 251-unit affordable senior living rental apartment community (The New Haven Apartments) and a 140-unit affordable family living rental apartment community (The Cambridge Apartments) located in the Bitter Lake Neighborhood of North Seattle; and (iii) Rainier Court Master Plan Community, a multi-phase mixed-use development consisting of a completed 208-unit affordable senior living rental apartment community (Courtland Place at Rainier Court), a completed 178-unit affordable family living rental apartment community (The Dakota at Rainier Court), and a proposed 70-unit affordable senior living rental apartment community (tentatively referred to as Rainier Court Phase III) located in the North Rainier Neighborhood of South Seattle.

Images of these three (3) selected projects, including architectural site plans and selected color photographs of the final product, are included in the Project Summaries attached hereto as **Exhibit E**.

Arrowhead Gardens is a campus-style affordable senior living rental apartment community containing 449 dwelling units located in the Highland Park Neighborhood of West Seattle consisting of four (4) buildings situated on a 4-acre site, including two (2) mid-rise residential apartment buildings and a mid-rise mixed-use building constructed over structured parking and a two-story Village Center community building. The mixed-

use building contains approximately 5,500 square feet of ground floor commercial / retail space. The Village Center community building contains management and leasing offices and residences for on-site managers, along with extensive community facilities such as a media center with a large flat-screen HDTV, theater seating and surround sound, a fitness center with state-of-the-art exercise equipment, a computer lab with free internet access, a great room with a fireplace, an arts & crafts room, and a lounge with kitchen facilities which connects to a wrap-around outdoor deck with tables, chairs and barbeque equipment. The buildings and structured parking garages are access-controlled for safety and security and elevator-serviced for convenience. Each of the three (3) mid-rise buildings have penthouse sunrooms and exterior rooftop observation decks. The grounds are extensively landscaped with several water features, gated courtyards and several other unique features, such as pea-patch planters for resident use and a series of specially-commissioned modern art totem poles.

The principal developer of the Arrowhead Gardens project is Arrowhead Park Development Associates, LLC, a limited liability company of which PNCC and SHAC are members and managers, substantially similar to the applicant. The primary financing for the project was provided by a combination of tax-exempt and taxable bond financing and equity capital derived from federal low-income housing tax credits (LIHTC). Total project development costs and financing totaled almost \$60 million. PNCC provided substantial pre-development and interim capital contributions to the project of more than \$3 million. However, Apollo Housing Capital Arrowhead Gardens, L.L.C., an affiliate of RBC Capital Markets, a wholly-owned subsidiary of the Royal Bank of Canada, provided the permanent tax credit equity capital for the project. Citicorp Municipal Mortgage, Inc. served as both the construction and permanent lender. The project architect and landscape architect for the Arrowhead Gardens project was Johnson Braund Design Group, Inc., the same as for the proposed Tukwila Village project. Similarly, the general contractor for the Arrowhead Gardens project was Inter-City Contractors, Inc., the same as for the proposed Tukwila Village project. The timeline for the Arrowhead Gardens project was as follows: (1) site control was obtained in January, 2007; (2) a master use permit application, SEPA checklist and design review application was submitted in April, 2007; (3) building (construction) permit applications were submitted in September, 2007; (4) a master use permit was issued, a SEPA determination of non-significance was issued, and the design review application was approved in November, 2007; (5) the land acquisition, equity financing and construction financing closed in December, 2007; (6) building (construction) permits were issued in June, 2008; (7) construction commenced in July, 2008; and (8) construction was completed sequentially on the four (4) building in July, 2009, August, 2009, December, 2009, and February, 2010. Total elapsed time from site control to construction completion: approximately 36 months. Total elapsed time from start of construction to construction completion: approximately 19 months.

Linden Place at Bitter Lake is a mixed-use development located in the Bitter Lake Neighborhood of North Seattle immediately across from Bitter Lake Park & Community Center consisting of two (2) separate but complimentary phases. Phase I, known as The New Haven Apartments, consists of a mid-rise mixed-use building containing 251 affordable senior living rental apartments, a structured parking garage and approximately 11,100 square feet of ground level commercial/retail space. A mix of one- and two-bedroom apartments are available with a range of different floor areas, many attractive floor plans and a selection of color-coordinated materials choices (carpeting, linoleum and countertops). Phase II, known as The Cambridge Apartments, consists of a mid-rise mixed-use building containing 74 affordable family living rental apartments, a

structured parking garage and approximately 2,100 square feet of ground level commercial/retail space, and a mid-rise residential apartment building containing 66 affordable family living rental apartments constructed over structured parking and connected by a skybridge, for a total of 140 affordable family living rental apartments. A mix of one-, two- and three-bedroom apartments are available with a range of different floor areas, many attractive floor plans and a selection of color-coordinated materials choices (carpeting, linoleum and countertops). Phase I (The New Haven Apartments) and Phase II (The Cambridge Apartments) are separated by a private, pedestrian-friendly internal access drive known as a *woonerf* -- a "living street" -- which creates a shared community space for the residents of both communities. The New Haven Apartments affordable senior living community contains extensive community facilities, including a media center with a large flat-screen HDTV, theater seating and surround sound, a fitness center with state-of-the-art exercise equipment, a computer alcove with free internet access, an arts & crafts room, and a community room with kitchen facilities, all of which connect to outdoor terraces with tables, chairs and outdoor pavilions, and three (3) themed penthouse sunrooms with vaulted ceilings, each connected to exterior observation decks with different views of the mountains and City skyline. The building and structured parking garage is access-controlled for safety and security and elevator-serviced for convenience. The Cambridge Apartments affordable family living community also contains extensive community facilities, including a media center with a large flat-screen HDTV, theater seating and surround sound, a fitness center with state-of-the-art exercise equipment, a computer lab and classroom with free internet access, a game room with billiards, foosball and video games, and a community room with kitchen facilities, all of which connect to outdoor terraces with tables, chairs and outdoor pavilions. In addition, each of the two (2) mid-rise buildings feature many private and semi-private decks and patios, as well as an exterior rooftop observation deck. The buildings and structured parking garages are access-controlled for safety and security and elevator-serviced for convenience. The entire grounds of Linden Place at Bitter Lake are extensively landscaped, especially along the *woonerf* with, among other things, a fountain, a low pedestrian-friendly curb, street trees, street lamps, and planters.

The principal developer of the Linden Place at Bitter Lake project is Linden Avenue North Associates, LLC, a limited liability company of which PNCC and SHAC are members and managers, substantially similar to the applicant. Each phase of the Linden Place at Bitter Lake project is owned by a separate single-asset limited partnership. Bitter Lake Village Associates (1) Limited Partnership is the owner of The New Haven Apartments and Bitter Lake Village Associates (2) Limited Partnership is the owner of The Cambridge Apartments. SHAG and Linden Avenue North Associates, LLC both serve as general partners of the two (2) limited partnerships. The primary financing for each phase of the project was provided by a combination of tax-exempt and taxable bond financing and equity capital derived from federal low-income housing tax credits (LIHTC). Total project development costs and financing was approximately \$32.6 million for Phase I (The New Haven Apartments) and approximately \$22.7 million for Phase II (The Cambridge Apartments), for a combined total of approximately \$55.3 million. PNCC provided substantial pre-development and interim capital contributions to the project of more than \$2 million. However, Apollo Housing Capital New Haven, L.L.C., and Apollo Housing Capital Cambridge, L.L.C., affiliates of RBC Capital Markets, a wholly-owned subsidiary of the Royal Bank of Canada, provided the permanent tax credit equity capital for the respective phases of the project. U.S. Bank National Association served as the construction lender. Citibank, N.A., the successor to GMAC Commercial Mortgage Corporation, and Fannie Mae, served as permanent lenders. The project architect and

landscape architect for the entire Linden Place at Bitter Lake project was Johnson Braund Design Group, Inc., the same as for the proposed Tukwila Village project. Similarly, the general contractor for the entire Linden Place at Bitter Lake project was Inter-City Contractors, Inc., the same as for the proposed Tukwila Village project. The timeline for the Linden Place at Bitter Lake project was as follows: (1) site control was obtained in November, 2004; (2) a master use permit application, SEPA checklist and design review application was submitted in April, 2005; (3) a master use permit was issued, a SEPA determination of non-significance was issued, and the design review application was approved in August, 2005; (4) building (construction) permit applications were submitted in August, 2005 (New Haven) and September, 2005 (Cambridge); (5) the land acquisition, equity financing and construction financing closed in September, 2005; (6) building (construction) permits were issued in January, 2006 (New Haven) and April, 2006 (Cambridge); (7) construction commenced in January, 2006 (New Haven) and April, 2006 (Cambridge); and (8) construction was completed sequentially on The New Haven Apartments in February, 2007, on the East Building of The Cambridge Apartments in June, 2007, and on the West Building of The Cambridge Apartments in July, 2007. Total elapsed time from site control to construction completion: approximately 32 months. Total elapsed time from start of construction to construction completion: approximately 19 months (approximately 14 months for The New Haven Apartments, and approximately 16 months for The Cambridge Apartments, with some overlap).

Rainier Court Master Plan Community is a mixed-use development located in the North Rainier Neighborhood of South Seattle consisting of up to four (4) separate but complimentary phases, of which two (2) phases have been completed, and a third phase is in the design/development/permitting stage. Phase I, known as Courtland Place at Rainier Court, consists of a mid-rise mixed-use building containing 208 affordable senior living rental apartments, a structured parking garage and approximately 9,300 square feet of ground level commercial/retail space. A mix of one- and two-bedroom apartments are available, including several townhomes with street level entries, with a range of different floor areas, many attractive floor plans and a selection of color-coordinated materials choices (carpeting, linoleum and countertops). Phase II, known as The Dakota at Rainier Court, consists of a mid-rise mixed-use building containing 178 affordable family living rental apartments, a structured parking garage and approximately 9,200 square feet of ground level commercial/retail space. A mix of one-, two- and three-bedroom apartments are available, including several townhomes with street level entries, with a range of different floor areas, many attractive floor plans and a selection of color-coordinated materials choices (carpeting, linoleum and countertops).

The Courtland Place at Rainier Court affordable senior living community contains extensive community facilities, including a media center with a large flat-screen HDTV, theater seating and surround sound, a fitness center with state-of-the-art exercise equipment, an arts & crafts room, and a community room with kitchen facilities, all of which connect to outdoor courtyards with tables, chairs and planters. Courtland Place at Rainier Court also has a large rooftop deck with 360 degree views of Mt. Rainier and the City skyline, a 9-hole miniature golf course, and a number of pea-patch planters for resident use. The building and structured parking garage are access-controlled for safety and security and elevator-serviced for convenience. The Dakota at Rainier Court affordable family living community also contains extensive community facilities, including a media center, theater seating and surround sound, a fitness center with state-of-the-art exercise equipment, a computer lab with free internet access, a game room with

billiards, foosball and video games, and a community room with a large flat-screen HDTV, kitchen facilities, and tables and chairs. The Dakota at Rainier Court includes a large third level courtyard with a centrally-located childrens' play area and a basketball half-court, for easy monitoring by parents and on-site management. The buildings and structured parking garages are access-controlled for safety and security and elevator-serviced for convenience. A Master Use Permit has been obtained for a yet unnamed third phase of Rainier Court, a proposed 70-unit affordable senior living rental apartment community consisting of a 4-story residential apartment building containing 58 dwelling units and 12 two-story townhome units. The site of the proposed Rainier Court Phase III development is located immediately east of Phase I (Courtland Place at Rainier Court), immediately north of Phase II (The Dakota at Rainier Court). The completion of the proposed Rainier Court Phase III, and the prospect of a Rainier Court Phase IV, both of which are expected to feature different forms and types of lower density housing, such as two- and three-story attached and detached townhomes, and more open space and green space, will further enhance the overall Rainier Court Master Plan Community by increasing the variety of available housing choices and the connectivity of each existing and new phase.

The principal developer of the Rainier Court Master Plan Community is SouthEast Effective Development (SEED), a Washington nonprofit corporation, and the co-developer and project manager is PNCC North Coast Associates, L.L.C., a limited liability company of which PNCC is the majority member and sole manager. Each phase of the Rainier Court Master Plan Community is owned by a separate single-asset limited liability company. Rainier Court Associates 2002-I, LLC is the owner of Courtland Place at Rainier Court and Rainier Court Associates 2003-IIA, LLC is the owner of The Dakota at Rainier Court. SEED serves as the managing member of these two (2) limited liability companies. The primary financing for Phase I (Courtland Place at Rainier Court) was provided by a combination of conventional mortgage financing proceeds and equity capital derived from federal low-income housing tax credits (LIHTC). The primary financing for Phase II (The Dakota at Rainier Court) was provided by a combination of tax-exempt and taxable bond financing and equity capital derived from federal low-income housing tax credits (LIHTC). Total project development costs and financing was approximately \$32.6 million for Phase I (Courtland Place at Rainier Court) and approximately \$22.7 million for Phase II (The Dakota at Rainier Court), for a combined total of approximately \$55.3 million. PNCC provided substantial pre-development and interim capital contributions to the Rainier Court Master Plan Community project of more than \$2.5 million. However, Apollo Housing Capital Rainier I, L.L.C., and Apollo Housing Capital Rainier II, L.L.C., affiliates of RBC Capital Markets, a wholly-owned subsidiary of the Royal Bank of Canada, provided the permanent tax credit equity capital for the respective completed phases of the Rainier Court Master Plan Community project. U.S. Bank National Association served as the construction lender for the respective completed phases of the Rainier Court Master Plan Community project. Citibank, N.A., the successor to GMAC Commercial Mortgage Corporation, and Fannie Mae, served as permanent lenders for the respective completed phases of the Rainier Court Master Plan Community project. The project architect and landscape architect for the entire Rainier Court Master Plan Community project (including the proposed third phase) is Johnson Braund Design Group, Inc., the same as for the proposed Tukwila Village project. Similarly, the general contractor for the respective completed phases and the proposed third phase of the Rainier Court Master Plan Community project is Inter-City Contractors, Inc., the same as for the proposed Tukwila Village project. The timeline for the respective completed phases of the Rainier Court Master Plan Community project was

as follows: (1) site control was obtained in April, 2002 (Courtland Place) and August, 2003 (Dakota); (2) land acquisition in December, 2002 (Courtland Place); (3) a master use permit application, SEPA checklist and design review application was submitted in May, 2003 (Courtland Place) and August, 2003 (Dakota); (4) a master use permit was issued, a SEPA determination of non-significance was issued, and the design review application was approved in September, 2003 (Courtland Place) and November, 2003 (Dakota); (5) building (construction) permit applications were submitted in September, 2003 (Courtland Place) and November, 2003 (Dakota); (6) equity financing and construction financing closed in December, 2003 (Courtland), and land acquisition, equity financing and construction financing closed in December, 2003 (Dakota); (7) building (construction) permits were issued in January, 2004 (Courtland Place) and April, 2004 (Dakota); (8) construction commenced in January, 2004 (Courtland Place) and May, 2004 (Dakota); and (9) construction was completed in December, 2004 (Courtland Place) and October, 2005 (Dakota). Total elapsed time from site control to construction completion: approximately 43 months. Total elapsed time from start of construction to construction completion: approximately 21 months (approximately 12 months for Courtland, and approximately 16 months for Dakota, with some overlap).

In addition to the three (3) featured projects described above, the applicant is also pleased to describe one additional recently completed project -- the **Victoria Park Apartments** -- which has some relevance for purposes of the applicant's anticipated approach to the proposed Tukwila Village project. The Victoria Park Apartments is a mid-rise, mixed-use development located in the Lake City Neighborhood of Northeast Seattle consisting of an affordable senior living rental apartment community containing 152 dwelling units constructed over structured parking and approximately 3,000 square feet of ground floor commercial / retail space. The Victoria Park Apartments includes a variety of community facilities such as a media center with a large flat-screen HDTV, theater seating and surround sound, a fitness center with state-of-the-art exercise equipment, a computer/business center with free internet access, and a community room / lounge with a large flat-screen HDTV and Nintendo Wii and XBox 360 Kinetic video game consoles, kitchen facilities, and tables and chairs, and a billiard room. The building and structured parking garages are access-controlled for safety and security and elevator-serviced for convenience. The grounds are beautifully landscaped with a simple but impressive water feature near the main entrance and lobby, two (2) semi-private courtyards at the third level with planters and outdoor seating, and a large rooftop deck with 360 degree territorial views, including views of the mountains and the City skyline, a safe and sanitary dog-walk area, a number of pea-patch planters for resident use, a "green" roof and several photoelectric panels. The principal developer of the Victoria Park Apartments project is Lake City Way 137 Developers LLC, a limited liability company of which PNCC is the majority member and sole manager. Lake City Way 137 Developers LLC is also the managing member of Lake City Way 137 Associates LLC, a limited liability company, which is the owner of the Victoria Park Apartments project. The primary financing for the project was provided by a combination of tax-exempt bond financing and direct equity capital investment. Total project development costs and financing totaled approximately \$22.7 million. PNCC provided substantial pre-development and permanent capital contributions to the project of approximately \$1.5 million. U.S. Bank National Association served as the construction lender for the respective completed phases of the Victoria Park Apartments project. Citigroup and Freddie Mac served as permanent lenders for the Victoria Park Apartments project. The project architect for the Victoria Park Apartments project was the Morgan Design Group, LLC. The landscape architect for the Victoria Park Apartments project was Thomas

Rensdorf. The general contractor for the Victoria Park Apartments was Inter-City Contractors, Inc., the same as for the proposed Tukwila Village project. The timeline for the Victoria Park Apartments project was as follows: (1) site control was obtained in August, 2007; (2) a master use permit application, SEPA checklist and design review application was submitted in November, 2007; (3) a master use permit was issued, a SEPA determination of non-significance was issued, and the design review application was approved in April, 2008; (4) building (construction) permit applications were submitted in July, 2008; (5) the land acquisition closed in October, 2008; (6) building (construction) permits were issued in December, 2008; (7) the equity financing and construction financing closed in December, 2009; (8) construction commenced in January, 2010; and (8) construction was completed in February, 2011. Total elapsed time from site control to construction completion: approximately 41 months. Total elapsed time from start of construction to construction completion: approximately 14 months. [Please note that the total elapsed time from site control to construction completion was longer than normal, due primarily to the intervening financial crisis which temporarily jeopardized the ability to obtain construction and permanent debt financing as well as equity financing for the project. However, once PNCC became associated with the proposed development in September, 2009, commitments for construction and permanent debt financing as well as equity financing for the project were obtained and closed within approximately four (4) months.]

The significance of the prior development experience with respect to the Victoria Park Apartments project is that such project is the first mixed-income affordable senior living apartment community developed and operated by PNCC and SHAG. Only 20% of the rental dwelling units at Victoria Park are affordable (set-aside at up to 50% of AMGI), with the remainder set-aside at up to 80% of AMGI or market-rate (no income limitation). The market acceptance of the Victoria Park Apartments project was encouraging. At the time of construction completion, the project was more than 50% pre-leased, and was almost 70% leased within 2 months of opening. The favorable experience of PNCC and SHAG at Victoria Park with respect to mixed-income affordable senior living has definitely influenced the applicant's thinking about the inclusion of a mixed-income or market-rate senior living component in its proposed development concept for Tukwila Village.

- 2) Provide references for three construction lenders for prior development projects handled by your firm.

See the List of Bank References attached hereto as **Exhibit F** for at least three (3) construction lenders for prior development projects handled by the applicant or its affiliates.

- 3) Provide references for three permanent financing lenders for prior development projects handled by your firm.

See the attached List of Bank References attached hereto as **Exhibit G** for at least three (3) permanent lenders for prior development projects handled by the applicant or its affiliates.

- 4) Describe your firm's experience with green and sustainable building practices.

As indicated above, the development team that we have assembled for Tukwila Village has worked together extensively in the past, including on issues of energy conservation and environmental sustainability. For example, our work together includes design and implementation of the following programs: (i) Evergreen Sustainable Development Standards (Department of Commerce); (ii) Built-Green Program (Master Builder's Association); and (iii) Built-Smart for Affordable Housing (Seattle City Light). In addition to the foregoing programs that members of our development team have implemented together, the project architect, JBDG, includes on its staff LEED AP certified designers who can design for, and meet the requirements of, the various levels of LEED Certification. In the specific area of energy efficiency, JBDG has been a leader in the community and in the architectural profession in reducing energy consumption, as exemplified by radically reducing the operating energy use of its office building located in the City of Tukwila, which earned an Energy Star rating from the EPA in 2010. JBDG also has on staff a Certified Passive House Consultant with the knowledge and experience to deliver the highest rated building energy designs available.

In addition, some members of our development team have been directly involved in voluntary environmental cleanup efforts to support the redevelopment of inner city or urban infill sites to a productive use. Beginning in the early 2000's, SHAG and PNCC formulated a strategic decision to introduce a new affordable senior living product -- "affordable urban living for active seniors" -- consisting of senior living communities located in convenient locations in an around Seattle and other urban and suburban centers in the Puget Sound region, offering more amenities, but with comparable affordability, and with an emphasis on lifestyle and social responsibility, including energy conservation and environmental sustainability. The primary reasons included the emerging trend of an increasing demand for urban living, reversing decades of decline in urban centers and reaction to suburban sprawl, the availability of infrastructure in urban centers, the seemingly irreversible trend of increasing energy costs, and the increasing degree of environmental consciousness. In 2003, PNCC identified the first such opportunity -- the Rainier Court Master Plan Community. In partnership with SEED, and with the assistance of JBDG, Inter-City Contractors, Inc., and environmental consultant, GeoEngineers, Inc., PNCC was instrumental in helping to initiate the voluntary clean up and adaptive re-use of this 7-acre Brownfield site located in South Seattle. SEED had assembled the site parcel by parcel over a period of years, but was unsuccessful in identifying any feasible redevelopment alternatives, in part due to the anticipated high cost of environmental cleanup. PNCC proposed a multi-phase, mixed-use development, beginning with a high density, low-impact alternative of an affordable senior living rental apartment community with lower traffic impacts and lower parking demand to offset the higher anticipated cost of environmental cleanup. This concept evolved to become Courtland Place at Rainier Court, Phase I of the Rainier Court Master Plan Community. Next, PNCC proposed another high density alternative but with higher traffic impacts and parking demand -- an affordable family living rental apartment community to be built on contaminated and somewhat less desirable but substantially lower cost land to offset both the additional cost associated with higher parking ratio requirements and the higher anticipated cost of environmental cleanup. This concept evolved to become The Dakota at Rainier Court, Phase II of the Rainier Court Master Plan Community. In addition, through research and training, PNCC, with the assistance of Inter-City Contractors, Inc., consciously increased its knowledge and understanding of environmental cleanup standards, techniques and procedures and determined that the typically high cost estimates generated by environmental consultants for purposes of the preparation and submittal of a Voluntary Cleanup Acton Plan for the review and approval of the

Washington State Department of Ecology could be dramatically reduced in practice through a more disciplined approach. As a result, PNCC and Inter-City Contractors, Inc. gained valuable knowledge and experience in connection with the implementation of the Voluntary Cleanup Action Plans for the respective completed phases of the Rainier Court Master Plan Community project, including the testing and profiling of contaminated soils, excavating, hauling and disposing of contaminated soils, and the determination of suitable disposal sites based on the profile of such contaminated soils, and were successful in reducing the actual cleanup costs below the original budget estimates.

In 2005, the first two (2) completed phases of the Rainier Court Master Plan Community project received the EPA's national Phoenix Award and the Washington Association of Consulting Engineers Silver Award for their innovative approach to improving the environment and providing sustainable redevelopment in an inner city neighborhood.

Furthermore, beginning with the Rainier Court Master Plan Community project, PNCC began to focus more on energy conservation and learned how to take advantage of certain incentives in relation to energy conservation and environmental stewardship. PNCC and Inter-City Contractors, Inc. began working closely with Seattle City Light to learn how to qualify for and to optimize energy incentives and long-term energy savings under Seattle City Light's "Built Smart for Affordable Housing Program." This included the selection and utilization of more energy-efficient light fixtures, windows and insulation. In addition, PNCC began to pursue the achievement of a certification under the Master Builders Association's Built-Green Program. Since 2004, beginning with the Courtland Place at Rainier Court, Phase I of the Rainier Court Master Plan Community, and for all subsequent affordable rental apartment communities, up to and including its most recent completed project, the Victoria Park Apartments, PNCC has consistently (i) achieved a minimum 2-Star Level certification or greater under the Master Builders Association's Built-Green Program, and (ii) obtained the maximum level of energy incentives available under Seattle City Light's Built-Smart for Affordable Housing Program. These projects include:

- 1) Courtland Place at Rainier Court, Phase I of the Rainier Court Master Plan Community, South Seattle, WA (208 units completed in December, 2004);
- 2) The Dakota at Rainier Court, Phase II of the Rainier Court Master Plan Community, South Seattle, WA (178 units completed in October, 2005);
- 3) The Terrace Apartments, Downtown Seattle, WA (136 units completed in June, 2006);
- 4) The New Haven Apartments, Phase I of Linden Place at Bitter Lake, North Seattle, WA (251 units completed in February, 2007);
- 5) The Cambridge Apartments, Phase II of Linden Place at Bitter Lake, North Seattle, WA (140 units completed in July, 2007);
- 6) Cedar Park Apartments, Northeast Seattle, WA (206 units completed in February, 2008);

- 7) Arrowhead Gardens, West Seattle, WA (449 units completed in February, 2010); and
- 8) Victoria Park Apartments, Northeast Seattle, WA (152 units completed in February, 2010).

Both PNCC and Inter-City Contractors, Inc. were honored by Seattle City Light in 2008 as "Power Players" for their outstanding leadership in energy conservation and efficiency in connection with the development of affordable housing.

At the Arrowhead Gardens project, PNCC and SHAG introduced several additional sustainable practices, including rainwater and groundwater "harvesting" for the majority of the site's landscape irrigation needs, and a car-share program utilizing electric plug-in vehicles. PNCC and SHAG have selected the Nissan Leaf – a true plug-in vehicle recently named as the 2011 World Car of the Year – for its car-share program at Arrowhead Gardens and are expecting delivery of the first vehicle by June, 2011.

Among the "green" and/or "sustainable" features or practices anticipated to be incorporated into our proposed Tukwila Village development concept include the Built-Green certification (Master Builder's Association), Built-Smart (Seattle City Light) or PSE Multi-Family (Puget Sound Energy) energy incentives, Low Impact Development storm water design and practices, Enhanced Walkable & Pedestrian oriented site development, and High-performance, Low-energy design in building performance. Several other potential sustainable practices that may be incorporated into our proposed Tukwila Village development concept include rainwater and/or groundwater "harvesting" for a portion of the site's landscape irrigation needs, a car-share program utilizing electric plug-in vehicles, as well as one or more dedicated transit vans to reduce the dependence or reliance on personal automobiles.

Tukwila Village Development Team

- 1) Describe the firms that are likely to be your proposed development team for Tukwila Village including architect, general contractor, construction project manager, and property manager. Describe their experience with projects of this type. *Note: You do not need to repeat any information provided under general experience above but you are welcome to do so.*

The following is a brief description of each key member of our proposed development team for Tukwila Village including the project and landscape architect, the general contractor, the construction project manager, and the property manager:

The project architect and landscape architect will be the **Johnson Braund Design Group, Inc. ("JBDG")**, headquartered in Tukwila, Washington, about one-half mile from the Tukwila Village site. JBDG specializes in providing architectural design and landscape design services for developers in the housing and hospitality industries. SHAG and PNCC are among JBDG's largest clients in the housing industry, and Marriott, the well-known national hotel chain owner/operator, is among JBDG's largest clients in the hospitality industry. Their design expertise in both permanent lodging

(rental apartments, especially senior living rental apartments) and temporary lodging (hospitality) is complimentary, as both place a premium on efficient design and layout of living areas and on the integration of amenities, common areas and facilities, as well as landscaping. Similarly, JBDG has substantial experience in the design of mixed-use developments where the predominant use is permanent lodging (rental apartments) or temporary lodging (hospitality), and the non-residential use (traditional retail, commercial or office) is complimentary, as is the case in the applicant's proposed development concept for Tukwila Village. The JBDG design team will be coordinated by Joseph Giampietro, JBDG's Director of Housing, with the assistance of Diana Keys, the lead architectural design architect for the applicant's proposed Tukwila Village development concept, and Mel Easter, the lead landscape design architect for the applicant's proposed Tukwila Village development concept. This core design team was involved in assisting the applicant's affiliates, SHAG and PNCC, in connection with the architectural and landscape design for each of the prior development projects referenced above in connection with prior development experience except for the Victoria Park Apartments. JBDG has collaborated closely with SHAG, PNCC and Inter-City Contractors, Inc. in connection with the development and construction of more than 25 affordable apartment communities containing an aggregate of more than 4,000 dwelling units over the past 15 years, including 5 affordable rental apartment communities containing an aggregate of more than 1,500 dwelling units in a mixed-use, mid-rise building format -- typically 4 or 5 levels of Type 5A (wood-frame) construction over 1 or 2 levels of Type 1A (reinforced post-tension concrete) construction, with structured parking and street level retail/commercial space. JBDG is the applicant's preferred architectural and landscape design firm because they have consistently provided excellent, imaginative and timely architectural and landscape design services. We have found that JBDG is highly competent, extremely flexible, and responsive to aesthetic and design considerations, as well as sensitive to budgetary and scheduling constraints. JBDG maintains a high level of expertise in this mixed-use, mid-rise building format, and they continue to refine and adapt their planning and design approach to meet the unique challenges of each site and community setting. Over the past couple of years, JBDG migrated their design and document production system to the Building Information Modeling (BIM) standard, which allows for better visualization during the design process and better coordination of documents during the production process. In addition, JBDG has internalized new skills in energy modeling as a major component of building design in order to embrace energy conservation and to mitigate the impact of future increases in energy costs. See the Firm Profile of JBDG, the summary of the Housing practice of JBDG, the Resumes of Mel Easter, Joe Giampietro, and Diana Keys of JBDG, and certain other historical facts and information concerning JBDG attached hereto as **Exhibit H**.

The General Contractor will be the ***Inter-City Contractors, Inc.*** ("***ICC***"), headquartered in Kenmore, Washington. The ICC construction team will be coordinated by Greg Herring, President and sole shareholder of ICC, with the assistance of Merle Miller, ICC's senior construction superintendent, and ICC's assistant construction superintendents, Marty Gunderson, Mike Harmon, and Steve Higham. This core construction team was involved in assisting the applicant's affiliates, SHAG and PNCC, in connection with the construction of each of the prior development projects referenced above in connection with prior development experience. See the Statement of Experience of ICC attached hereto as **Exhibit I**, which identifies the prior experience and the principals of ICC. ICC has provided the applicant valuable pre-development and pre-construction assistance in connection with the evaluation of the feasibility of the applicant's proposed Tukwila Village development concept, including preliminary

construction cost estimates. ICC is the applicant's preferred general contractor because they have consistently provided excellent, consistent and timely general contracting services within budget constraints.

PNCC also will serve as construction project manager for the applicant's proposed Tukwila Village development concept. PNCC and ICC have collaborated closely in connection with the construction of more than 25 affordable rental apartment communities containing an aggregate of more than 4,000 dwelling units over the past 15 years, including 5 affordable apartment communities containing an aggregate of more than 1,500 dwelling units in a mixed-use, mid-rise building format -- typically 4 or 5 levels of Type 5A (wood-frame) construction over 1 or 2 levels of Type 1A (reinforced post-tension concrete) construction, with structured parking and street level retail/commercial space. PNCC has served as a major subcontractor to ICC in connection with the construction of each of the prior development projects referenced above in connection with prior development experience. PNCC specializes in excavation and grading, installation of on-site utilities, painting, landscaping, site cleanup, equipment operation, materials handling, and labor support. PNCC owns and supplies a variety of construction equipment and vehicles, including excavators, loaders, forklifts, dump trucks, lifts, booms, and the like. In addition, PNCC typically provides labor support for all other subcontractors. ICC solicits bids from all other interested subcontractors and suppliers and prepares a detailed construction estimate including labor, materials and subcontracted work. PNCC will compile a detailed estimate including labor, materials and subcontracted work for the divisions of work typically subcontracted to PNCC. ICC and PNCC then integrate their detailed estimates for all divisions of work in order to create a preliminary Schedule of Values. Based on the construction budget implications, ICC and PNCC will perform a value engineering analysis and will propose modifications in the scope of work, the quantities and qualities of materials, construction methods, and will negotiate with and select subcontractors and suppliers based on the lowest bid from competent subcontractors and suppliers. PNCC and ICC will then negotiate and document the construction contract for the proposed project, including the final Schedule of Values, the Contract Sum and the Construction Contingency, as well as Contract Exclusions & Qualifications, General Conditions, Alternates, Unit Prices & Allowances, and Contractor and Subcontractor Insurance Requirements. PNCC maintains a job shack on-site along side ICC for the entire duration of a construction job. Scott Price, the Senior Vice President and a shareholder of PNCC, with over 35 years of construction experience, monitors the job performance of ICC and the other subcontractors. Jeff Cole, Construction Superintendent for PNCC, directs the construction employees of PNCC and coordinates labor support, materials handling and equipment requirements with Merle Miller, ICC's senior construction superintendent, and ICC's assistant construction superintendents, Marty Gunderson, Mike Harmon, and Steve Higham.

Independent Living Associates, LLC, a Washington limited liability company ("ILA"), a full-service property management company specializing in the marketing, leasing, management and maintenance of stand-alone, mixed-use and mixed-income affordable senior living rental apartment communities, will serve as the property management agent on behalf of SHAG and PNCC, and the single-asset limited partnerships that will be formed to own each of the different phases or other distinct components of the proposed Tukwila Village development. PNCC is the sole shareholder of Independent Living, Inc., a Washington corporation ("ILI"). PNCC and ILI are the sole members and managers of ILA. See the attached Statement of Experience of ILA attached hereto as **Exhibit J**, which identifies the prior experience and the principal officers, directors and staff of ILA.

ILA serves as property management agent on behalf of SHAG, PNCC and their affiliates in connection with each of the prior development projects referenced above in connection with prior development experience. SHAG and ILA jointly operate and manage thirty (30) affordable senior living rental apartment communities containing more than 4,500 dwelling units in various locations in the Puget Sound region.

- 2) Describe your proposed development team's experience working together.

The proposed development team consisting of SHAG, PNCC, JBDG, ICC and ILA has substantial experience and success in working together in connection with the development and construction of more than 25 affordable rental apartment communities containing an aggregate of more than 4,000 dwelling units over the past 15 years, including several mixed-use developments with a similar scope and complexity comparable to the proposed Tukwila Village development concept. Examples include (i) Arrowhead Gardens, a mixed-use development located in the Highland Park neighborhood of West Seattle which was recently completed in 2010 featuring an affordable senior living campus containing a Village Center community building and three (3) mid-rise residential buildings containing an aggregate of 449 rental dwelling units and approximately 5,500 square feet of ground level commercial/retail space; (ii) Cedar Park Apartments, a mixed-use development located in the Lake City neighborhood of Northeast Seattle which was completed in 2008 featuring an affordable senior living community containing 206 dwelling units and approximately 3,000 square feet of ground level commercial/retail space; (iii) Linden Place at Bitter Lake, a mixed-use development located in the Bitter Lake neighborhood of North Seattle which was completed in 2007 consisting of two (2) phase including an affordable senior living community containing 251 dwelling units and approximately 11,000 square feet of ground level commercial/retail space (The New Haven Apartments) and an affordable multifamily living community containing 140 affordable dwelling units and approximately 2,000 square feet of ground level commercial/retail space (The Cambridge Apartments); (iv) The Terrace Apartments, an affordable senior living community located on the edge of Downtown Seattle which was completed in 2006 containing 136 dwelling units overlooking the International District and Elliot Bay; and (v) Rainier Court, a mixed-use development located in the North Rainier neighborhood of South Seattle consisting of (a) two (2) completed phase including an affordable senior living community containing 208 dwelling units and approximately 9,400 square feet of ground level commercial/retail space (Courtland Place at Rainier Court) completed in 2004 and an affordable multifamily living community containing 178 affordable dwelling units and approximately 9,200 square feet of ground level commercial/retail space (The Dakota at Rainier Court) completed in 2005, and (b) a pending third phase (as yet unnamed, but referred to as Rainer Court Phase III) consisting of an 70-unit affordable senior living community containing 58 dwelling units in a mid-rise building and 12 attached two-story townhomes which is expected to begin construction by late 2012 or early 2013.

- 3) Is another firm participating as a partner or co-developer? If so, describe the partnership structure and the other firm's role and experience.

No. The applicant and its affiliates constitute an integrated, full-service development, construction and management organization, and do not require the assistance of another partner or co-developer.

- 4) Describe the likely capital financing structure for Tukwila Village. Is your firm likely to be an equity investor? If so, please describe.

Historically, the lowest cost of capital available in connection with the development of affordable rental apartment communities has been tax-exempt bond financing coupled with equity capital derived from federal low-income housing tax credits (LIHTC). However, the turmoil in the financial markets which followed the subprime mortgage lending crisis has impacted the availability and underwriting criteria for both debt and equity financing. The availability of tax-exempt bond authority remains favorable, while the underwriting criteria have tightened and pricing has increased somewhat. The decline in demand from tax-motivated investors for federal low-income housing tax credits caused the equity pricing of such tax credits to dramatically decline, although it appears that the growth in the corporate profits of banks, other financial institutions and corporations has caused tax credit equity values to begin to rise again. On the other hand, it appears that the availability of equity capital from economically-motivated institutional investors for the acquisition, development and construction of rental apartment communities has risen sharply due to the prospects of declining vacancy rates and rising rental rates.

Tax-exempt bond financing is available where at least 20% of the rental dwelling units are set-aside for individuals or households whose household income does not exceed 50% of the area median gross income (AMGI), adjusted for household size, as determined at the time of initial occupancy. Accordingly, a mixed-income or predominantly market-rate rental apartment community can qualify for such tax-exempt bond financing where at least 20% of the rental dwelling units are affordable at 50% of AMGI. To further qualify for federal low-income housing tax credits, at least 20% of the rental dwelling units must be set-aside for individuals or households whose household income does not exceed 50% of AMGI, adjusted for household size, or at least 40% of the rental dwelling units must be set-aside for individuals or households whose household income does not exceed 60% of AMGI, adjusted for household size, **and** the monthly rents charged for such rental dwelling units must be restricted relative to such AMGI in order to be affordable based on a formula which is designed to ensure that eligible renter households do not pay more than 30% of the maximum monthly allowable household income as rent. However, a key distinction is that, for purposes of qualifying for tax-exempt bond financing, only the minimum set-aside requirements (at least 20% of the rental dwelling units are affordable at 50% of AMGI) must be met, with **no** explicit rent restrictions. For purposes of qualifying for federal low-income housing tax credits, both the minimum set-aside requirements (either at least 20% of the rental dwelling units are affordable at or below 50% of AMGI, or at least 40% of the rental dwelling units are affordable at or below 60% of AMGI) must be met, **and** the applicable rent restriction requirements must be met relative to the applicable set-aside (50% or 60% of AMGI). Unless all (100%) of the rental dwelling units are set-aside at or below either 50% or 60% of AMGI **and** the applicable restriction requirements are met for all such units, then the maximum allowable federal low-income housing tax credits (and the potential equity value) would be reduced proportionately.

Accordingly, the most likely capital financing structure for any pure "affordable" housing components of the Tukwila Village development -- such as any affordable senior living components -- will be a combination of tax-exempt bond financing coupled with equity capital derived from federal low-income housing tax credits (LIHTC) supplied by tax-motivated institutional investors. The most likely capital financing structure on any

mixed-income or predominantly market rate components of the Tukwila Village development -- including any family living or non-age restricted components -- will be a combination of tax-exempt bond financing coupled with direct equity capital investment from economically-motivated institutional investors. The applicant anticipates incorporating affordable, mixed-income and market-rate components into the Tukwila Village development concept. Therefore, the applicant anticipates utilizing both types of capital financing structures. The applicant **does** anticipate participating as an equity investor in any mixed-income or predominantly market rate component of the proposed Tukwila Village development where the capital financing structure consists of a combination of tax-exempt bond financing coupled with direct equity capital investment.

- 5) If you already have established financial partners who are able to quickly commit to a project like Tukwila Village, please describe those relationships.

The applicant has strong and continuing relationships with several financial partners who are typically able to quickly commit to a project like Tukwila Village. Such financial partners include U.S. Bank National Association, Citigroup, and RBC Capital Markets. U.S. Bank National Association typically prefers to participate as a construction lender, Citigroup typically prefers to participate as a permanent lender, and RBC Capital Markets typically prefers to participate as a tax credit equity investor. The applicant has discussed the Tukwila Village project with both U.S. Bank National Association and Citigroup, but has not as yet discussed it with RBC Capital Markets. However, the applicant has discussed the Tukwila Village project with several other potential financial partners, including Union Bank. In addition, the applicant expects a high level of interest in the Tukwila Village project from other potential institutional lenders and investors based on the size, scope and quality of the applicant's proposed Tukwila Village development concept.

Concept for Tukwila Village

- 1) Describe your concept for the development of Tukwila Village, identifying types of use, approximate square footage, scale, phasing, special amenities, likely types of commercial tenants, and the City's role in the development. Please include a table listing the types of uses with square footage and unit counts. Do NOT include images showing your proposed concept.

The neighborhood surrounding the Tukwila Village site has an ordinary mix of housing, commercial and community uses. They exist now in relative isolation in an auto-centric pattern. The vision the City has proposed for Tukwila Village offers a remarkable opportunity to bring together existing and new resources in a way that generates opportunities for all residents of the City. The vision is a catalyst for change. By adding key services, attractive housing options and unique gathering places that bring people together, it is possible to create an extraordinary shared experience that will enhance the community life for the City and its residents. The following places and uses are anticipated in our concept for the development of Tukwila Village:

Civic Plaza – a place for all seasons, available to the larger Tukwila community, such as for concerts, a farmer's market, community picnics, etc. [approximately 20,000 sq. ft. of shared open space, with scheduling to be managed by an association board with broad representation]

Community Commons – meeting space, as a way for individuals and community groups to engage in the City of Tukwila [approximately 2,000 sq. ft. of shared community meeting space, with scheduling to be managed by an association board with broad representation]

Public Library Branch – a new library branch operated by the King County Library System [approximately 10,000 sq. ft. based on the desire to expand the library facilities beyond the constraints of the existing Foster Library facility]

Coffee Shop / Ice Cream Parlor / Deli – private businesses [approximately 2,000 sq. ft. with 2 or more tenants]

Restaurants – private businesses [approximately 5,000 sq. ft. with 2 or more tenants]

Medical & Dental Clinic Facility – a community based health care serving all segments of the community [approximately 20,000 sq. ft. of primary medical and dental clinic space, with surface and underground parking, designed for and to be operated by HealthPoint]

Community Policing Center – as desired by the City of Tukwila [approximately 2,000 sq. ft. of office / private meeting space, with surface parking, to be utilized by law enforcement personnel]

Affordable, mixed-income and/or market-rate senior living rental townhomes with street level entries [approximately 15 total dwelling units]

Affordable, mixed-income and/or market-rate senior living rental apartments [approximately 306 total dwelling units]

Market-rate rental Live/Work loft apartments [approximately 5 total dwelling units]

Market-rate family living (non-age restricted) rental apartments [approximately 56 total dwelling units]

[For context, see the article “*Two for One*” published in the April 2011 edition of the Multifamily Executive, which chronicles the success of integrating dual projects for families and seniors to breathe life into a former San Francisco industrial site.]

- 2) Describe your knowledge of the market for your concept if it is built at this location.

The applicant and the development team assembled by the applicant for the proposed Tukwila Village development concept has a very thorough knowledge of the local market, as well as a very thorough knowledge of the “product” reflected in our Tukwila Village development concept if it were built at this location. First, we performed a Demographic Analysis of the area to get a sense of the local population by age, income, tenure (homeowner vs. renter) and racial and ethnic diversity. Second, we compared the Tukwila Village market with other comparable markets where we have successfully developed product similar to the proposed Tukwila Village development concept.

What we have learned from the demographic data is that, based on the 2000 Census data, the concentration of elderly individuals and households in the City of Tukwila (at

age 55+, age 60+, age 62+ or age 65+) was lower than in the State of Washington or King County as a whole. In addition, we learned that based on the 2000 Census data, the City of Tukwila is more ethnically and racially diverse than the State of Washington or King County as a whole, with a much larger non-white population. However, based on the 2010 Census estimate and the 2015 Projection, the concentration of elderly individuals and households in the City of Tukwila has dramatically increased, and is expected to continue to dramatically increase. Similarly, based on the 2010 Census estimate and the 2015 Projection, the ethnic and racial diversity in the City of Tukwila has dramatically increased, and is expected to continue to dramatically increase. See the Demographic Analysis attached hereto as **Exhibit K**, which analyzes certain demographic trends within a 1.0 mile, 3.0 mile and 5.0 mile radius of the Tukwila Village site.

In terms of concentration of elderly individuals and households, income levels and ethnic and racial diversity, the Tukwila Village market is very similar to the South Seattle market where we have proven the success of both an affordable senior living product and an affordable family living product (see the Rainier Court Master Plan Community Project Summary), and is somewhat similar to the North Seattle market where we have proven the success of an affordable senior living product and an affordable family living product (see the Linden Place at Bitter Lake Project Summary).

Our Demographic Analysis also indicates that there is an adequate supply of age- and income-qualified renters in the local market to absorb the proposed number of age-restricted dwelling units in a normal period of time.

- 3) Do your plans anticipate incorporating the existing Foster Library property into the Tukwila Village project?

At this time, no. However, the applicant is willing to consider it if a specific and financially feasible use can be identified for the existing building or the property and the property can be acquired at a fair and reasonable price.] If so, what would happen to the existing building? [At this time, the applicant is unable to evaluate whether or not the existing building can be renovated or is obsolete and should be demolished and redeveloped.

- 4) Do you anticipate requesting any changes in zoning or public infrastructure?

Yes. The applicant anticipates requesting a change in the applicable height limit under the existing zoning and comprehensive plan designation for the Tukwila Village site from 65 feet to 70 feet, consistent with the proposed height limit under consideration by the City to accommodate the ability to construct five (5) floors of Type 5A (wood-frame) construction over a Type 1A (reinforced concrete) podium.

- 5) Describe how your development concept would contribute to the creation of a stronger sense of place and community in this particular neighborhood.

Our development concept for Tukwila Village is to create a community commons with indoor and outdoor components that will enhance the living, working and recreational experiences of the existing community and for all the new residents of Tukwila Village. This includes a new Civic Plaza and new Community Commons. The Civic Plaza would be available for a weekend farmer's market, concerts, community picnics and the like. The Community Commons meeting rooms would be available to the public during

normal business hours and available to the residents of Tukwila Village after normal business hours. Individuals and community groups would be able to schedule use of the Civic Plaza or the Community Commons, subject to certain rules and regulations, to be administered by a broad-based community association, with representation by SHAG, the King County Library System, HealthPoint, the City of Tukwila, residents of Tukwila Village, and members of the general public. The Civic Plaza and Community Commons, along with the new library branch, the medical-dental clinic, the retail spaces, will enhance the existing services available and serve as a catalyst to encourage additional quality retail, commercial and residential development along Tukwila International Boulevard. The presence of the Community Policing Center will hopefully discourage misbehavior or criminal activity. The mixed-use nature of the new Tukwila Village will encourage pedestrian activity, nearby shopping, and the street level activity will encourage interaction among neighbors and participation in the life of the City. It will strengthen what is already good and successful in the neighborhood, making it a focal point and durable center of community life in the City of Tukwila.

- 6) Describe any existing relationships you have with commercial tenants whom you believe would be a good fit for this project.

The applicant has met with HealthPoint on several occasions to discuss their potential participation in our proposed Tukwila Village development concept. See the letter dated April 28, 2011 from HealthPoint attached hereto as **Exhibit L**, which constitutes an expression of interest on behalf of HealthPoint in establishing and operating a full service primary medical and dental clinic in our proposed development of Tukwila Village.

The applicant has also met with the King County Library System and their architects to discuss their vision for their proposed new library branch at Tukwila Village. We described to them our proposed Tukwila Village development concept including our preferred site and orientation of the new library facility. We were encouraged by their response and we are committed to assisting the King County Library System to accelerate the design, development and construction completion of the new library branch in the context of our shared vision for Tukwila Village.

- 7) How would you ensure the commercial component is well maintained, safe, and positive for the entire neighborhood?

We would ensure that the commercial component of Tukwila is well maintained, safe, and positive for the entire neighborhood by adopting and enforcing Rules & Regulations for conduct and business practices applicable to all commercial or retail tenants, which would be incorporated by reference into each commercial or retail lease. In addition, ILA, the property management agent, will be responsible for handling all common area maintenance, although each commercial or retail tenant would share in the expense of such common area maintenance pursuant to the customary triple net expense pass through provisions of a typical commercial or retail lease. Finally, the broad-based community association which will administer the Civic Plaza and the Community Commons will be instrumental in securing the commitment and cooperation of all commercial and retail tenants by providing them representation on the governing board of the association.

- 8) How would you ensure the residential component is well maintained, safe, and positive for the entire neighborhood?

Once again, ILA, the property management agent, will be responsible for handling all common area maintenance, including the residential components of the Tukwila Village development. More importantly, ILA utilizes exclusively live-in on-site community managers to create a shared sense of pride and responsibility, as well as 24/7 coverage for emergencies that may arise. Finally, the incorporation of some residential dwelling units with street level entries which provides a presence of "eyes on the street" and the incorporation of the Community Policing Center are both likely to discourage misbehavior or criminal activity.

- 9) Do you anticipate any age restricted housing? If so, please describe.

Yes. We anticipate that a significant portion of the housing component of our proposed Tukwila Village development will be age-restricted (senior living). Of the current total of approximately 382 dwelling units, approximately 321 dwelling units are anticipated to be age-restricted (senior living). However, we felt strongly that a non-age restricted (family living) housing component should be incorporated into our proposed Tukwila Village development concept so that Tukwila Village was viewed as being open to all citizens and was not viewed exclusively a seniors-only conclave. Accordingly, our proposed Tukwila Village development concept currently reflects approximately 61 dwelling units are anticipated to be non-age restricted (family living).

- 10) Do you anticipate any income or rent restricted housing? If so, please describe.

Yes. We anticipate that each housing component of the Tukwila Village development will have at least a 20% affordability set-aside at 50% of AMGI in order to qualify for the use of tax-exempt bond financing, the most favorable type of financing available today for residential development. We expect that much of the age-restricted (senior living) housing component will have a greater (perhaps even a 100%) affordability set-aside, including both income and rent restrictions, in order to qualify for federal low-income housing tax credits in concert with use of tax-exempt bond financing. However, we are also committed to introducing a meaningful number of mixed-income or market-rate age-restricted (senior living) dwelling units based on our recent success with the Victoria Park Apartments. On the other hand, we do not anticipate that any non-age restricted (family living) housing component will have will significantly more than the minimum 20% affordability set-aside at 50% of AMGI in order to qualify for the use of tax-exempt bond financing.

- 11) How would you ensure the development is built with quality construction methods and materials?

The applicant is committed to the use of quality construction methods and materials, especially durable, sustainable and low-maintenance materials, as demonstrated by the quality of the appearance of our prior developments. The design review process will help ensure that our design quality will meet or exceed community standards and expectations. However, for the applicant, this is a matter of pride and good business. We are not building Tukwila Village to sell. We are building it to hold for income and appreciation. Our history bears this out.

- 12) Describe any significant pre-sales or pre-leasing requirements you anticipate prior to closing on the purchase of this property.

None, unless the City decides to directly negotiate the sale of a portion of the Tukwila Village site to the King County Library System, in which case an appropriate economic adjustment would be necessary prior to closing on the purchase of the property.

- 13) Describe your anticipated timeline for due diligence, feasibility analysis, negotiations, design, construction, and sales/lease-up.

If selected, we expect to complete our due diligence and feasibility analysis within approximately ninety (90) days or less, which would run co-terminus with the negotiations with the City. We have already performed a preliminary feasibility analysis, based on a preliminary conceptual design and layout. However, we have not yet been able to obtain a title report, an ALTA land survey, an environmental site assessment, soils tests, or an independent market study of our development concept, which would be a necessary part of our due diligence.

After the successful completion of negotiations with the City and the King County Library System, we expect to complete our design/development/permitting process within approximately sixth (6) months or less, which would run co-terminus with the underwriting and negotiations for debt and equity financing for the project. We expect to purchase the land from the City of Tukwila within a reasonable period of time after issuance of the applicable building permits.

We expect that the actual construction of the Tukwila Village development will be phased, with the emphasis on starting first with the North Phase -- the proposed development north of South 144th Street -- which includes the new Library branch, the Civic Plaza, the Community Commons, and the core retail, as well as both an age-restricted (senior living) housing component and a non-age restricted (senior living) housing component. We would expect to start the South Phase -- the proposed development south of South 144th Street -- which includes the HealthPoint Clinic, the Community Policing Center, and another age-restricted (senior living) housing component, within about six (6) to twelve (12) months after starting the North Phase. The rationale is to not "flood the market" with all 382 dwelling units at once. If absorption is as good or better than expected in the North Phase, then the start of the South Phase could be accelerated. Most of the site work on both Phases would likely be done at once. In addition, individual components of either Phase -- such as the new Library branch in the North Phase or the HealthPoint Clinic in the South Phase -- could be accelerated based on the needs and desires of the respective users.

The estimated construction schedule for the North Phase is approximately 16 to 18 months. The estimated construction schedule for the South Phase is approximately 12 to 14 months. The main difference is that the number and intensity of structures and improvements is greater on the North Phase than on the South Phase.

We expect the absorption (lease-up) of each Phase to be approximately 12 months based on the fact that there is a relatively comparable number of dwelling units in each Phase.

Accordingly, based on the assumption that the applicant is selected in early June, 2011, and on the assumption of a twelve (12) months of deferral in the start of construction on the South Phase after the start of construction on the North Phase, the following is a summary of the relevant development timelines:

- 1) Completion of Due Diligence, Feasibility and Negotiations - September 30, 2011;
 - 2) Completion of Design/Development and issuance of Building (Construction) Permits - March 31, 2012;
 - 3) Closing of Land Acquisition and Debt and Equity Financing for North Phase - April 30, 2012;
 - 4) Commencement of Construction on North Phase - June 1, 2012;
 - 5) Closing of Debt and Equity Financing for South Phase - April 30, 2013;
 - 6) Commencement of Construction on South Phase - June 1, 2013;
 - 7) Completion of Construction on North Phase - October 31, 2013;
 - 8) Completion of Construction on South Phase - June 30, 2014;
 - 9) Completion of Absorption / Lease-Up on North Phase - October 31, 2014; and
 - 10) Completion of Absorption / Lease-Up on South Phase - June 30, 2015.
- 14) Describe your experience purchasing land from a public entity or negotiating development agreements with a public entity.

The applicant has not purchased land from a public entity, but has had a similar experience. In connection with the purchase of the land for the Arrowhead Gardens project in West Seattle, the Seller required approval from King County DOT, the previous owner of the property and the owner of the adjacent Park & Ride. Accordingly, the Developer was required to negotiate with King County to obtain such approval. Similarly, in connection with such project, the Developer was required to renegotiate a Parking Covenant with the City of Seattle to address their right to utilize shared parking on the site for their adjacent Joint Training Facility both during and after the construction of the project. Bryan Park, the President and principal shareholder of PNCC, is an attorney with over thirty (30) years of experience in negotiating development agreements with both public entities and private parties.

- 15) Describe your preferred method for negotiating a price for the land. Are you willing to use an open proforma/residual land value approach? Are you willing to use an appraisal?

The applicant prefers an open proforma/residual land value approach, and is less willing to use an appraisal because an appraiser is not necessarily constrained by the financial feasibility of the proposed development in arriving at their valuation. In addition, the appraiser might find it difficult or impossible to properly reflect the valuation impact of

various burdens or mandates imposed by the City in connection with the selection of the Developer, such as the requirement to negotiate with the King County Library System, subject to the risk that the City might decide to directly negotiate the sale of a portion of the Tukwila Village site to the King County Library System.

- 16) Based on your concept, do you anticipate that the price for the land would be approximately equivalent to fair market value if the property were sold on the open market?

Yes, the applicant anticipates that the price for the land would be approximately equivalent to fair market value if the property were sold on the open market, subject to the same burdens and mandates imposed by the City in connection with the selection of the Developer.

- 17) Do you anticipate requesting any payments, subsidies, waivers, financial contributions from the City of Tukwila, or special requests other than negotiations for the price of the land

No, we do not anticipating any financial consideration from the City, unless the City decides to directly negotiate the sale of a portion of the Tukwila Village site to the King County Library System, in which case an appropriate economic adjustment would be necessary. However, we anticipate requesting approval for some street parking along Tukwila International Boulevard and along South 144th Street adjacent to the site.

- 18) Do you anticipate using tax exempt financing, low income tax credits, New Markets Tax Credits, or other similar programs? If so, please describe.

Yes. See the response to Question 4) under the Tukwila Village Development Team heading relating to the likely capital financing structure for Tukwila Village.

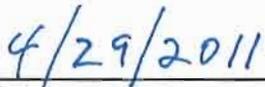
I certify that I have supplied true and accurate information in this application.



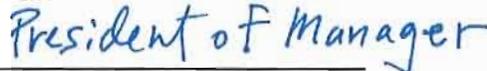
Signature



Printed Name



Date

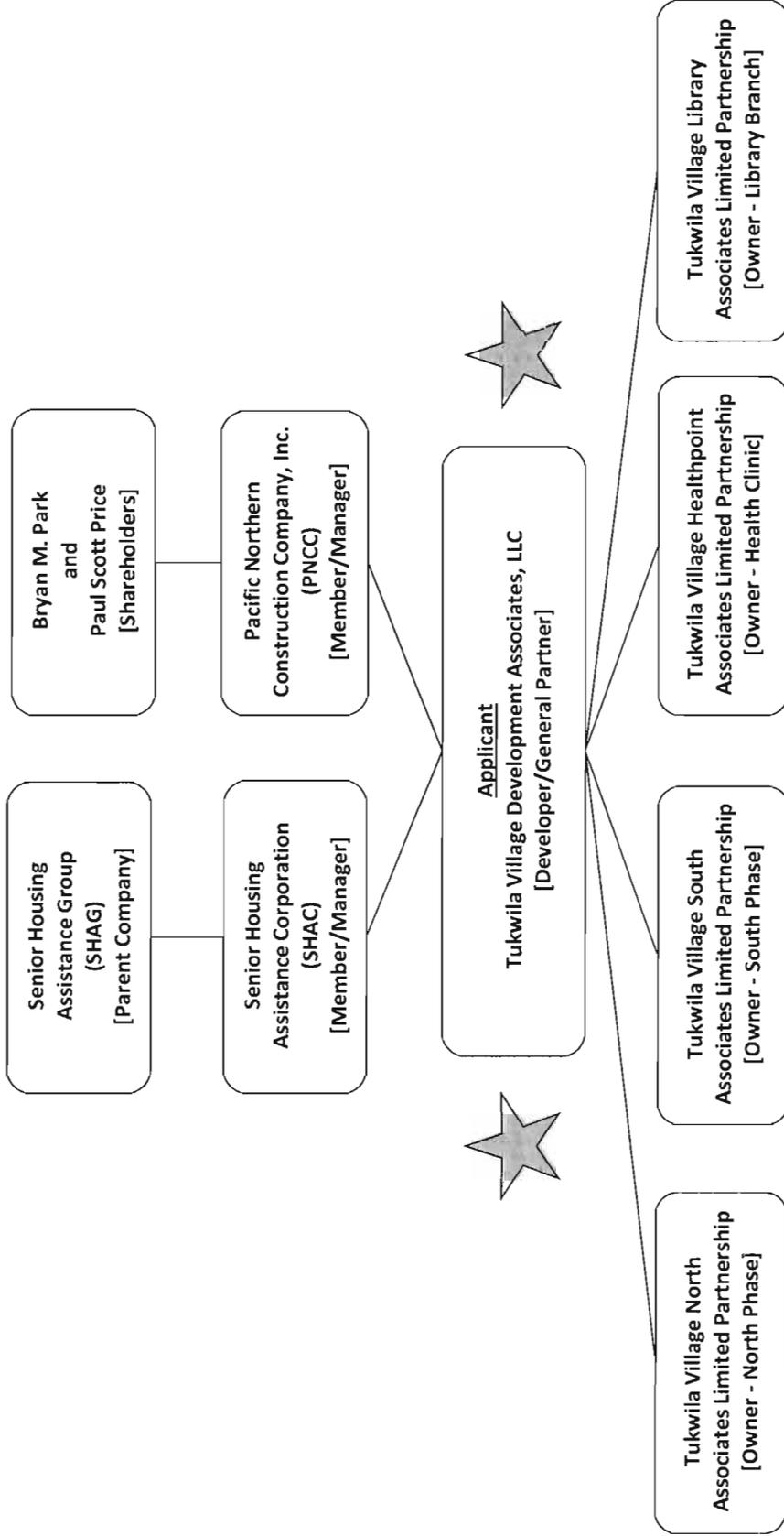


Title

EXHIBIT A

Organizational Chart

TUKWILA VILLAGE DEVELOPMENT ASSOCIATES, LLC ORGANIZATIONAL CHART



Senior Housing Assistance Group ("**SHAG**") is a private Washington nonprofit corporation headquartered in Puyallup, Washington dedicated to providing quality affordable, safe and secure independent living opportunities for elderly and disabled elderly individuals and households. Formed in 1988, SHAG is committed to sponsoring affordable senior living rental apartment communities designed specifically to address the needs of low- and moderate-income seniors. In addition to locating its affordable senior living communities in convenient, pedestrian-friendly areas close to public transportation, retail shopping, essential services and other amenities, SHAG strives to make each of its senior living facilities a true home and community for all of its residents.

In cooperation with several third party developers and owners, SHAG has become the largest operator of affordable senior living rental apartment communities in the Pacific Northwest. SHAG presently operates thirty (30) communities throughout the Puget Sound region which contain a total of 4,566 dwelling units. [**See the attached schedule of affordable senior living rental apartments communities operated by the Senior Housing Assistance Group.**]

SHAG has developed a successful track record and reputation for operating quality affordable senior living rental apartment communities. The depth of its experience comes from a close working relationship between its officers and directors and its development and management partners, its administrative staff, and its on-site management staff. SHAG has substantial experience in connection with the marketing, leasing, and operation of both new "start-up" senior living communities as well as existing "stabilized" senior living communities. Each of the affordable senior living rental apartment communities is operated by SHAG in a manner consistent with the most restrictive compliance requirements of the tax-exempt private activity bond financing program (pursuant to Internal Revenue Code Section 142) and/or the federal low-income housing tax credit program (pursuant to Internal Revenue Code Section 42), as well as the eligibility requirements applicable to nonprofit homes for the aging (pursuant to RCW 84.36.041).

SHAG coordinates the marketing and leasing, as well as the overall operation, of each of its affordable senior living rental apartment communities through an operating use lease agreement entered into with the owner, which typically is a single-asset limited partnership or limited liability company. SHAG is assisted in connection with the day-to-day property management functions by Independent Living Associates, LLC ("**Independent Living**"), a Washington limited liability company, which serves as property management agent for all of the affordable senior living rental apartment communities operated by SHAG. In cooperation with Independent Living, SHAG has successfully developed and perfected a well-known brand, as well as comprehensive marketing, leasing, maintenance, management, and resident activities and retention programs. These programs have been highly successful in consistently delivering high occupancy, low turn-over, and high resident satisfaction levels.

In addition to providing quality, affordable senior living rental apartment communities, SHAG's mission also includes enhancing resident's lives and coordinating the social and health services that they may require to maintain an active and independent lifestyle. SHAG's model is to network with existing area social and health service providers to be able to allow them access to elderly and/or disabled elderly residents with special needs, and to raise the awareness of residents with regard to the nature and availability of significant services that can be delivered to them. SHAG typically enters into affirmative marketing and referral agreements and/or placement agreements with governmental social and health services agencies, as well as with both private nonprofit and for-profit independent care providers to obtain referrals of prospective elderly or disabled elderly residents requiring quality, affordable housing, and, likewise, SHAG provides referrals of existing or prospective elderly or disabled elderly residents requiring or desiring services and/or financial assistance to such governmental social and health services agencies and private nonprofit or for-profit independent care providers.

Senior Housing Assistance Corporation ("SHAC"), a Washington corporation and a wholly-owned for-profit subsidiary of SHAG, was formed in 1998 to facilitate SHAG's initial and continued involvement in the development and ownership of affordable senior living rental apartment communities for low- and moderate-income seniors, to insulate SHAG and its assets from the liability and risk associated with development and construction, and to protect SHAG's tax-exempt status. SHAG and SHAC have sponsored or co-sponsored the development of numerous affordable senior living rental apartment communities for low- and moderate-income seniors. SHAG or SHAC maintain a direct or indirect ownership interest in most of the affordable senior living rental apartment communities operated by SHAG through a direct or indirect interest in the single-asset entities (limited partnerships or limited liability companies) which own the communities after the completion of construction and the initial lease-up and stabilization. In addition, SHAG and/or SHAC typically obtain an option and/or a right of first refusal to purchase the affordable senior living rental apartment communities operated by SHAG from the single-asset ownership entity or to purchase the investor's interests in the single-asset ownership entity after the expiration of the minimum 15-year tax credit compliance period. SHAC relies primarily on the management experience and expertise of its officers and directors and on the management experience and expertise of the officers, directors, home-office management staff, and on-site management staff of SHAG. Since SHAC is a wholly-owned subsidiary of SHAG, SHAC and SHAG have common officers and directors. The current officers and directors of SHAG and SHAC are as follows:

James E. Sullivan (President and Director) has been a successful independent State Farm Insurance agent in the Renton, Washington area since 1970. Mr. Sullivan has been involved for many years on various citizens advisory committees for the Renton School District and Valley Medical Hospital, among others. Mr. Sullivan has been a member of the Renton Rotary Club since 1984 and currently serves on the Rotary Board of Directors. Mr. Sullivan has been involved as Solicitation Chairman of the Rotary in its successful efforts at raising contributions for local charities and scholarships. Mr. Sullivan is a founding member of the Board of Directors of both SHAG and SHAC and currently serves

as the President of the Board of Directors of both SHAG and SHAC. Mr. Sullivan advises the Boards on insurance and risk underwriting and management practices, among other things.

Philip Corneil (Director) is a Senior Vice President and Division Manager of Banner Bank where he has been employed for the past 17 years. Mr. Corneil has over thirty-five years of commercial and community banking experience in the King, Pierce and Snohomish County areas and has substantial knowledge of local market trends and housing needs, particularly in the suburban cities of King, Pierce and Snohomish County. Mr. Corneil joined the Board of Directors of both SHAG and SHAC in September, 2002. Mr. Corneil advises the Boards on current lending and banking practices, among other things.

Jeff Melville (Vice President and Director) is an executive in the Supplier Management division of the Boeing Company. Immediately prior to that, Mr. Melville served as an investment management and financial advisor with Kennedy Associates Real Estate Advisors of Seattle, Washington. Mr. Melville was previously employed for over twenty years by Weyerhaeuser in its Real Estate Division as the Director of Special Projects, and in such capacity had primary responsibility for reviewing and approving investments by Weyerhaeuser in affordable housing and other community development projects. Mr. Melville has been a member of the Board of Directors of SHAG since September, 1993 and a member of the Board of Directors of SHAC since its inception in September, 1998. He advises the Boards on real estate investment, development and construction-related matters, among other things.

Victor Karpiak (Secretary/Treasurer and Director) is the President of First Savings Bank Northwest. Mr. Karpiak has over 25 years of regional banking experience which includes substantial experience in underwriting and financing affordable housing projects, especially projects utilizing federal low-income housing tax credits and the Federal Home Loan Bank's Affordable Housing Program and Community Investment Program. Mr. Karpiak joined the Board of Directors of SHAG in December, 1996 and joined the Board of Directors of SHAC since its inception in September, 1998, and currently serves as Secretary/Treasurer of the Board of Directors of both SHAG and SHAC. Mr. Karpiak advises the Boards on loan underwriting and mortgage financing matters, among other things.

Mark Albertson (Director) is an estate planning attorney with 23 years of experience. In addition to family estate planning, Mr. Albertson's practice emphasis is in the areas of Elder Law, Veteran's Benefits, Guardianships and Special Needs Planning. Mr. Albertson is Senior Counsel with the Albertson Law Group, P.S., a five attorney, 42 year old law firm, with offices in Kent and Bellevue Washington. Mr. Albertson is a member of the Washington State Bar Association, Oregon State Bar Association, Alaska State Bar Association, American Bar Association, and King County Bar Association. He is a Charter Member of the Academy of Special Needs Planners, the National Academy of Elder Law Attorneys, and the Estate Planning Council of South King County. Mr. Albertson advises

the Boards on legal matters involving Elder Law, Veteran's Benefits, Guardianships and Special Needs Planning, among other things.

Jay Woolford is the full-time Executive Director of SHAG, and also serves as a Vice President and a member of the Board of Directors of SHAC. Before joining SHAG and SHAC in March, 2010, Mr. Woolford had over 16 year of executive leadership experience in the senior housing industry, and has been involved with the planning, development, marketing, leasing and management of continuing care retirement communities, assisted living communities, and independent living communities. Mr. Woolford has worked with major healthcare and educational institutions to create model senior living communities. Immediately prior to joining SHAG, Mr. Woolford served as Senior Vice-President of the National Condominium Community development division for Sunrise Senior Living. He also served as President of Springton Development Service, a senior housing development and management company. Mr. Woolford serves as liaison to the Board of Directors of both SHAG and SHAC, and has assisted the Boards in developing and implementing modern conflict of interest and board governance policies. Mr. Woolford also has been instrumental in expanding the community outreach on behalf of SHAG and the individual affordable senior living rental apartment communities operated by SHAG, and in introducing and expanding several new resident activity initiatives such as an enhanced fitness program that has proven to be extremely popular among residents.

Cynthia Graham is the full-time Deputy Executive Director of SHAG. Ms. Graham brings to the organization a life-long commitment to the well-being of seniors and over 12 years of hands-on professional experience in connection with the marketing, leasing, operation and management of senior living communities. Before joining SHAG, Ms. Graham served as a general manager and a community relations director for two (2) separate Merrill Gardens retirement living communities, as an executive director for a GenCare independent senior living community, and as a marketing director for a Leisure Care assisted living facility. In addition, Ms. Graham has served or currently serves on the Snohomish County Council on Aging Advisory Board, on the Northend Senior Care Coalition Board, and on the Executive Board of the Shoreline-Lake Forest Park Senior Center, among others. Ms. Graham joined SHAG in March, 2010. She focuses most of her efforts on the coordination of community outreach and on the implementation of new resident activity initiatives.

**AFFORDABLE SENIOR LIVING RENTAL APARTMENT COMMUNITIES
OPERATED BY THE SENIOR HOUSING ASSISTANCE GROUP**

	<u>Number of Units</u>	<u>Year Completed</u>
<i>Completed Projects Owned by Affiliates:</i>		
Spencer Court Apartments, Renton, WA	74	1993
Webster Court Apartments, Kent, WA	92	1994
Cedar River Court Apartments, Renton, WA	100	1995
Titus Court Apartments, Kent, WA	101	1995
Meekeer Court Apartments, Kent, WA	131	1996
Green River Court Apartments, Kent, WA	131	1996
Park Court Apartments, Kent, WA	131	1996
Gowe Court Apartments, Kent, WA	50	1997
Meridian Court Apartments, Federal Way, WA	200	1997
Willamette Court Apartments, East Wenatchee, WA	8	1997
Willamette Court Apartments, Federal Way, WA	100	1997
Conservatory Place Apartments I, Tacoma, WA	40	1997
Conservatory Place Apartments II, Tacoma, WA	51	1998
Auburn Court Apartments, Auburn, WA	296	1998
Boardwalk Apartments, Olympia, WA	284	1999
WoodRose Apartments, Bellingham, WA	197	2000
Lakewood Meadows Apartments, Lakewood, WA	168	2001
Sunset Garden Apartments, Puyallup, WA	279	2002
Woodlands Apartments, Kirkland, WA	110	2003
Alderwood Court Apartments, Lynnwood, WA	130	2003
Ballinger Court Apartments, Edmonds, WA	94	2005
Washington Terrace Apartments, Seattle, WA	136	2006
The New Haven Apartments, Seattle, WA	251	2007
Cedar Park Apartments, Seattle, WA	206	2008
Arrowhead Gardens, Seattle, WA	449	2010

Subtotal	3,809	
<i>Projects Under Development/Construction Owned by Affiliates:</i>		
Boulevard Place, Bothell, WA	270	2013

Subtotal	270	

Subtotal - Projects Owned by Affiliates	4,079	
<i>Completed Projects Owned by Third Parties:</i>		
The Sequoias, Kenmore, WA	57	2004
Courtland Place at Rainier Court, Seattle, WA	208	2004
Victoria Park Apartments, Seattle, WA	152	2011

Subtotal	417	
<i>Projects Under Development/Construction Owned by Third Parties:</i>		
Rainier Court Phase III, Seattle, WA	70	2013

Subtotal	70	

Subtotal - Projects Owned by Third Parties	487	

Total - All Projects	4,566	
	=====	



PACIFIC NORTHERN CONSTRUCTION COMPANY, INC.

STATEMENT OF EXPERIENCE

April, 2011

Pacific Northern Construction Company, Inc. ("Pacific Northern") is a full-service multifamily residential development, construction and management company which specializes in the development, construction, financing, marketing, leasing, operation, management and maintenance of affordable rental apartment communities for low- and moderate-income individuals and households, with a special emphasis on affordable rental retirement apartment communities for low- and moderate-income elderly individuals and households. Pacific Northern was formed in March, 1994 as the result of the incorporation of Construction Distributors, a proprietorship involved in multifamily rental housing development, construction, ownership and management. Construction Distributors was owned and operated by Earl W. Price, an innovative real estate entrepreneur with over 50 years of development and construction experience. All of the assets of the Construction Distributors proprietorship, including construction machinery, equipment, vehicles and work in progress, were transferred to Pacific Northern at the time of its incorporation in March, 1994.

Since its inception in March, 1994, Pacific Northern has served as the developer or co-developer, and as a major subcontractor to several independent general contractors, in connection with the development and construction of thirty (30) affordable rental apartment communities, including both senior living communities and family living communities, containing an aggregate of 4,753 dwelling units in various locations in the Puget Sound region, on behalf of both affiliated and unaffiliated owners, including several projects currently under development and/or construction. [**See the attached schedule of Affordable Rental Apartment Communities Developed & Constructed Under the Supervision of Pacific Northern Construction Company, Inc.**]. Pacific Northern presently has a development, construction supervision, management, administrative and accounting staff of approximately 8 full-time individuals, and numerous seasonal construction employees in the field (including construction equipment and machinery operators and both skilled and unskilled laborers) depending on the current level of volume of its construction activities.

Pacific Northern previously served as property management agent on behalf of several for-profit and nonprofit affordable rental housing sponsors, including the Senior Housing Assistance Group ("SHAG"), a Washington nonprofit corporation, and various other single-asset ownership entities affiliated with Pacific Northern, in connection with the marketing, leasing, operation, management and maintenance of affordable rental apartment communities in various locations in the Puget Sound region. The property management division of Pacific Northern was incorporated in July, 2001 as Independent Living, Inc., a Washington corporation, and is now being operated as Independent Living Associates, LLC, a Washington limited liability company doing business as Independent Living ("Independent Living"). All of Pacific Northern's property management contracts were assigned to Independent Living, and substantially all of the employees of the property management division of Pacific Northern became employees of Independent Living. Pacific Northern is the majority owner of Independent Living and monitors the performance of Independent Living on its own behalf and on behalf of the various single-asset ownership entities affiliated with Pacific Northern which own the affordable rental

apartment communities managed by Independent Living. Accordingly, Pacific Northern continues to take an active role in ensuring the on-going quality of the management operations of Independent Living. Independent Living currently serves as property management agent in connection with the marketing, leasing, operation, management and maintenance of thirty-three (33) affordable rental apartment communities, including both senior living communities and family living communities, containing an aggregate of 4,909 dwelling units in various locations in the State of Washington, primarily in the Puget Sound Region. **[For more information on Independent Living, see the separate Statement of Experience of Independent Living.]**

Bryan M. Park is the President and controlling shareholder of Pacific Northern. Mr. Park joined Pacific Northern in April, 1995 and initially served as the General Manager of Pacific Northern. In January, 1999, Mr. Park became President of Pacific Northern and acquired the controlling interest in the common stock of Pacific Northern (80%) as a result of a buyout of the controlling interest in the common stock of Pacific Northern previously held by Earl W. Price and Ellen Price. Since 1995, under Mr. Park's direction, Pacific Northern has become a major force in the development and construction of affordable rental apartment communities in the Puget Sound region, with a special emphasis on affordable senior living rental apartment communities. **[For more information on Mr. Park, see the separate Statement of Experience of Bryan M. Park.]**

Paul Scott Price is the Vice President of Field Operations and one of the founding shareholders of Pacific Northern. Mr. Price presently holds a 20% interest in the common stock of Pacific Northern. Mr. Price has been actively involved in the apartment development and construction business for more than 35 years. He has extensive experience in virtually all phases of residential and commercial construction. He has particular expertise in connection with the operation and maintenance of heavy construction machinery and equipment, site preparation, grading, excavation, foundations, framing, dry wall, electrical and underground utility installation, painting and landscaping. Mr. Price is typically involved from the project planning stage through the completion of construction, including architectural plan review, engineering plan review, construction supervision and managing general contractor, subcontractor and vendor relationships. He is responsible for all field operations on behalf of Pacific Northern in connection with the development and construction of affordable rental apartment communities, including the hiring, scheduling and supervision of all field employees including skilled and unskilled labors and construction machinery and equipment operators, the coordination of efforts with the independent general contractor, including job site set-up for other subcontractors, materials handling, and continuous job site maintenance and clean-up for maximum efficiency, and the completion of all punch list items as necessary in order to achieve substantial completion and obtain the issuance of a final certificate of occupancy for all residential buildings. Finally, Mr. Price is responsible for monitoring the performance of Independent Living with respect to the on-going facilities and grounds maintenance of affordable rental apartment communities on behalf of Pacific Northern and the single-asset ownership entities affiliated with Pacific Northern which own the affordable rental apartment communities.

**AFFORDABLE RENTAL APARTMENT COMMUNITIES
DEVELOPED AND CONSTRUCTED UNDER THE SUPERVISION OF PACIFIC NORTHERN CONSTRUCTION COMPANY, INC.**

	<u>Number of Units</u>	<u>Year Completed</u>	<u>Senior Living</u>	<u>Family Living</u>
Completed Projects Owned by Affiliates:				
Webster Court Apartments, Kent, WA	92	1994	92	
Cedar River Court Apartments, Renton, WA	100	1995	100	
Titus Court Apartments, Kent, WA	101	1995	101	
Meeker Court Apartments, Kent, WA	131	1996	131	
Green River Court Apartments, Kent, WA	131	1996	131	
Park Court Apartments, Kent, WA	131	1996	131	
Gowe Court Apartments, Kent, WA	50	1997	50	
Meridian Court Apartments, Federal Way, WA	200	1997	200	
Willamette Court Apartments, East Wenatchee, WA	8	1997	8	
Willamette Court Apartments, Federal Way, WA	100	1997	100	
Conservatory Place Apartments I, Tacoma, WA	40	1997	40	
Conservatory Place Apartments II, Tacoma, WA	51	1998	51	
Auburn Court Apartments, Auburn, WA	296	1998	296	
Boardwalk Apartments, Olympia, WA	284	1999	284	
WoodRose Apartments, Bellingham, WA	197	2000	197	
Lakewood Meadows Apartments, Lakewood, WA	168	2001	168	
Sunset Garden Apartments, Puyallup, WA	279	2002	279	
Woodlands Apartments, Kirkland, WA	110	2003	110	
Alderwood Court Apartments, Lynnwood, WA	130	2003	130	
Ballinger Court Apartments, Edmonds, WA	94	2005	94	
Washington Terrace Apartments, Seattle, WA	136	2006	136	
The New Haven Apartments, Seattle, WA	251	2007	251	
The Cambridge Apartments, Seattle, WA	140	2007		140
Cedar Park Apartments, Seattle, WA	206	2008	206	
Arrowhead Gardens, Seattle, WA	449	2010	449	
Victoria Park Apartments, Seattle, WA	152	2011	152	
Subtotal	4,027		3,887	140
Projects Under Development/Construction Owned by Affiliates:				
Boulevard Place, Bothell, WA	270	2013	270	
Subtotal	270		270	0
Subtotal - Projects Owned by Affiliates	4,297		4,157	140
Completed Projects Owned by Third Parties:				
Courtland Place at Rainier Court, Seattle, WA	208	2004	208	
The Dakota at Rainier Court, Seattle, WA	178	2005		178
Subtotal	386		208	178
Projects Under Development/Construction Owned by Third Parties:				
Rainier Court Phase III, Seattle, WA	70	2013	70	0
Subtotal	70		70	0
Subtotal - Projects Owned by Third Parties	456		278	178
Total - All Projects	4,753		4,435	318

EXHIBIT D

Statement of Experience

Bryan M. Park

BRYAN M. PARK

STATEMENT OF EXPERIENCE

April, 2011

Bryan M. Park is the President and controlling shareholder of Pacific Northern Construction Company, Inc. ("Pacific Northern"), a full-service multifamily residential apartment development, construction and management company which specializes in the development, construction, financing, marketing, leasing, operation, management and maintenance of affordable rental apartment communities for low- and moderate-income individuals and households, with a special emphasis on affordable senior living rental apartment communities for low- and moderate-income elderly individuals and households. Since 1994, under Mr. Park's direction, Pacific Northern has been responsible for the development and construction of thirty (30) affordable rental apartment communities containing an aggregate of 4,753 dwelling units in various locations in the Puget Sound region, including two (2) currently under development containing an aggregate of 340 dwelling units. [See the separate **Statement of Experience of Pacific Northern Construction Company, Inc. and the schedule of Affordable Rental Apartment Communities Developed & Constructed Under the Supervision of Pacific Northern Construction Company, Inc. attached thereto.**]

Pacific Northern previously served as property management agent on behalf of several for-profit and nonprofit affordable rental housing sponsors, including the Senior Housing Assistance Group ("SHAG"), a Washington nonprofit corporation, and various other single-asset ownership entities affiliated with Pacific Northern, in connection with the marketing, leasing, operation, management and maintenance of such affordable rental housing projects in various locations in the Puget Sound region. The property management division of Pacific Northern was incorporated in July, 2001 as Independent Living, Inc., a Washington corporation, and is now being operated as Independent Living Associates, LLC, a Washington limited liability company doing business as Independent Living ("Independent Living"), of which Independent Living, Inc. serves as Manager. Pacific Northern is the sole owner of Independent Living, Inc. and the majority owner of Independent Living, and monitors the performance of Independent Living on its own behalf and on behalf of the various single-asset ownership entities affiliated with Pacific Northern which own the affordable rental apartment communities managed by Independent Living. Accordingly, Pacific Northern continues to take an active role in ensuring the on-going quality of the management operations of Independent Living. Mr. Park, as the President and controlling shareholder of Pacific Northern, also serves as President and Chief Executive Officer of Independent Living, Inc., the Manager of Independent Living. Independent Living currently serves as property management agent in connection with the marketing, leasing, operation, management and maintenance of thirty three (33) affordable rental apartment communities containing an aggregate of 4,909 dwelling units in various locations in the Puget Sound region. [See the separate **Statement of Experience of Independent Living Associates, LLC and the schedule of Affordable Rental Apartment Communities served by Independent Living Associates, LLC as Property Management Agent attached thereto.**]

Mr. Park also is the founder, President and controlling shareholder of Onyx Housing Corporation, which specializes in development and financial consulting for select nonprofit, for-profit and public housing sponsors in the affordable housing industry. Mr. Park is an attorney and a CPA with more than thirty (30) years of

experience in the practice of law, public accounting, and financial, tax and development consulting. Prior to joining Pacific Northern and founding Onyx Housing, Mr. Park was engaged in the practice of law and public accounting.

Mr. Park was admitted to the practice of law in the states of Washington and Iowa, and entered the private practice of law with Reed McClure, a Professional Services corporation headquartered in Seattle, Washington, in January, 1992 and subsequently became a shareholder of the Reed McClure law firm. Mr. Park also served as a principal of and provided financial and development consulting services for affordable housing sponsors through Northwest Housing Resources, a consulting subsidiary of Reed McClure.

Mr. Park was a tax and consulting partner with the international public accounting firm of Deloitte & Touche and a predecessor firm, Touche Ross & Co., in Seattle, Washington from 1979 through 1991. During his tenure, Mr. Park served as Director of Real Estate Services for the Northwest practice of Touche Ross & Co. and Deloitte & Touche.

Mr. Park's prior legal, financial and tax advisory practices at Reed McClure, Northwest Housing Resources, Touche Ross & Co., and Deloitte & Touche, involved consulting with respect to all phases of the acquisition, development, construction, financing, operation and disposition of residential and commercial real estate. He has coordinated numerous real estate acquisition and loan closing transactions and facilitated numerous real estate partnerships and joint ventures. Mr. Park also has advised clients extensively on real estate ownership, financing and leasing options, interest rate risk management strategies, real estate partnerships, limited liability companies and other appropriate organizational structures for acquiring, developing and holding real estate.

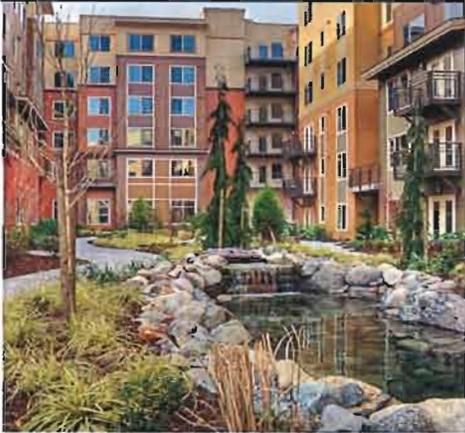
Mr. Park has represented nonprofit, for-profit and public housing sponsors in connection with planning, organizing, financing, developing and syndicating both market-rate and affordable housing projects. He also has assisted numerous affordable housing sponsors in utilizing a wide variety of federal, state and local affordable housing finance, subsidy and assistance programs, including the Tax-Exempt Private Activity (Volume Cap) Bond Financing Program and the Federal Low-Income Housing Tax Credit (LIHTC) Program. Mr. Park also has advised financial institutions in connection with discharging their community reinvestment responsibilities by participating in profitable affordable housing transactions. Mr. Park has performed numerous economic and financial feasibility analyses and prepared financial forecasts and projections for many proposed housing developments. Mr. Park has been involved as an accountant, a legal advisor, a financial consultant, a syndicator and/or a principal in connection with the acquisition, financing, syndication, and development of more than 200 affordable housing projects located primarily in the states of Washington, Oregon and Alaska since 1987.

In the Fall of 1995, Mr. Park served as a development and financial consultant to the Seattle Housing Authority in connection with the proposed redevelopment of the

1,200-unit Holly Park public housing project located in Southeast Seattle, Washington, for which the Seattle Housing Authority was awarded a HOPE VI Revitalization Grant. Mr. Park was responsible for organizing and coordinating a series of Focus Group meetings and discussions among a select panel of experts concerning various design, development, phasing and financing considerations regarding the Holly Park HOPE VI Redevelopment Project and for preparing a comprehensive Development, Financing and Implementation Report based on the findings and recommendations of the panel of experts. The Focus Group meetings and discussions and the Development, Financing and Implementation Report provided the Seattle Housing Authority with a blueprint and a specific set of recommendations for the design, development, phasing, financing and implementation of the Holly Park HOPE VI Redevelopment Project in phases.

Mr. Park previously served for approximately seven (7) years as a member of the Board of Trustees and Executive Committee (Treasurer) of Threshold Housing, an innovative nonprofit housing developer specializing in demonstration projects emphasizing design excellence and regulatory reform in the context of the development of affordable for-sale housing. Mr. Park previously served for approximately ten (10) years as a member of the Board of Directors of the Housing Resources Group of Seattle (formerly the Seattle Housing Resources Group) and as a member of the Board of Trustees and Executive Committee (Treasurer) of The Housing Partnership (formerly The King County Housing Partnership). Under the co-sponsorship of The Housing Partnership, Mr. Park authored the Affordable Housing Finance Handbook (1992) which summarized all of the major federal, state and local affordable housing finance, subsidy and assistance programs then available.

Mr. Park, as President of Onyx Housing Corporation, has provided development and financial consulting services for select nonprofit, for-profit and public housing sponsors in the affordable housing industry, including the Low Income Housing Institute (LIHI), a community-based nonprofit organization headquartered in Seattle, Washington which is one of the most active nonprofit developers of affordable rental housing for low-income families and homeless individuals in the State of Washington, and Shelter Resources, Inc., a for-profit organization headquartered in Bellevue, Washington which is one of the most active for-profit developers of affordable rental housing for low-income seniors and families in the State of Washington.



SELECTED PROJECTS

Arrowhead Gardens

Affordable Senior Living
Highland Park Neighborhood
West Seattle, WA

Linden Place at Bitter Lake

Affordable Senior and Family Living
Bitter Lake Neighborhood
North Seattle, WA

Rainier Court Master Plan Community

Affordable Senior and Family Living
North Rainier Neighborhood
South Seattle, WA



TUKWILA VILLAGE

REQUEST FOR QUALIFICATIONS

PROJECT TEAM

DEVELOPER/OWNER:

Arrowhead Senior Housing Associates, L.P.
Pacific Northern Construction Co., Inc.
Senior Housing Assistance Corp. (SHAC)

ARCHITECT:

Johnson Braund Design Group, Inc.

LANDSCAPE ARCHITECT:

Johnson Braund Design Group, Inc.

CONTRACTOR:

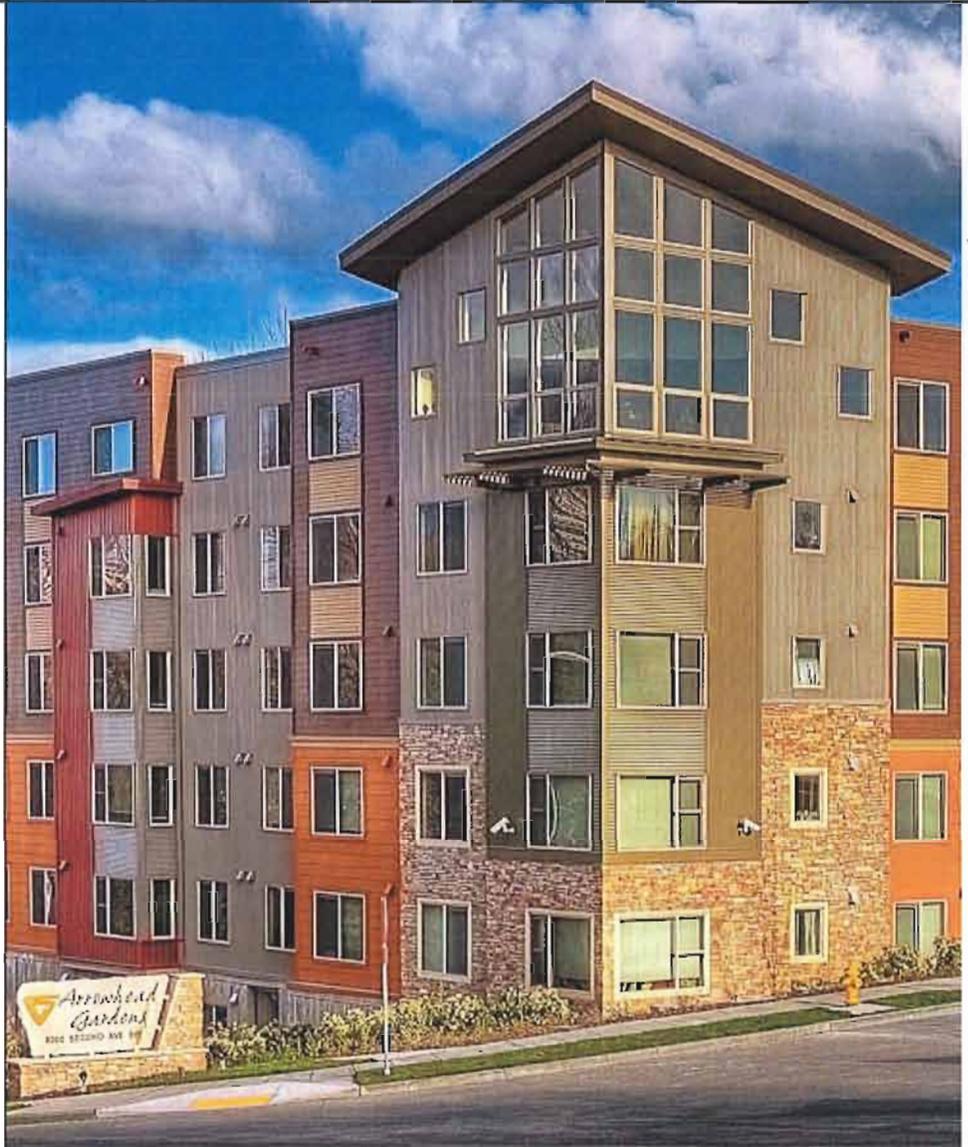
Inter-City Contractors, Inc.

PROPERTY MANAGEMENT:

Senior Housing Assistance Group (SHAG)
and Independent Living



ARROWHEAD GARDENS SENIOR LIVING



Arrowhead Gardens is one of SHAG’s most exciting senior living communities, providing 449 affordable rental housing units for independent seniors. Two large residential buildings and one mixed-used building are configured around a Village Center community building and extensive landscaped courtyards. The density of the site development has been mitigated through thoughtful attention given the design of open spaces, views and vistas, and a variety of community gardens and gathering spaces throughout the project.

Residential amenities include penthouse community sunrooms and rooftop terraces located in each of the buildings and extensively landscaped courtyards with walking trails, water features and pea-patch gardening. The centrally located Village Center contains formal and informal community gathering spaces, media room, craft room, computer lab and fitness center, as well as the management and leasing offices and on-site manager residences.

The project met Master Builder’s Built-Green 2-star certification, as well as Seattle City Light’s Built-Smart program. Additional sustainable practices included rainwater and groundwater “harvesting” for the majority of the site’s irrigation needs and electric plug-in vehicles will be available for use by residents.

WEST SEATTLE, WASHINGTON



TUKWILA VILLAGE REQUEST FOR QUALIFICATIONS

PROJECT STATISTICS

LOCATION:

9200 2nd Ave. SW, Seattle WA 98106

ZONING: C2-65 (ACU)

SITE AREA: 3.98 Acres

STATS:

449 Senior Living Units (113 du/a)

5,527 SF Commercial / Retail Space

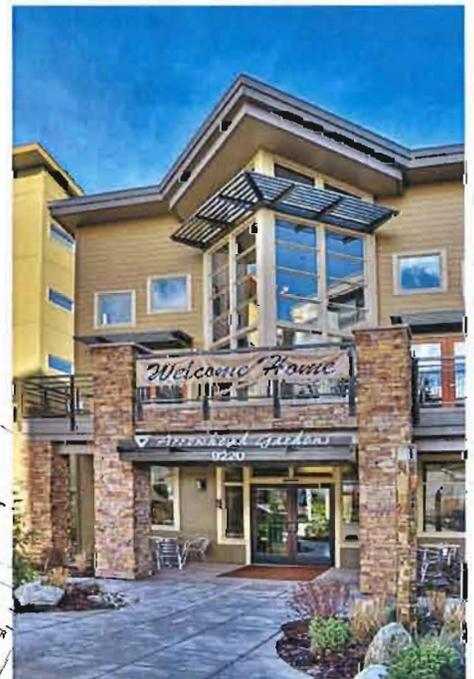
CONSTRUCTION:

Type 5A over Type 1A Podium

DEVELOPMENT COST:

\$60 Million

SCHEDULE: Completed 2010





PROJECT TEAM

DEVELOPER/OWNER:

Bitter Lake Village Associates (1) & (2), L.P.
Pacific Northern Construction Co., Inc.
Senior Housing Assistance Group (SHAG)

ARCHITECT:

Johnson Braund Design Group, Inc.

LANDSCAPE ARCHITECT:

Johnson Braund Design Group, Inc.

CONTRACTOR:

Inter-City Contractors, Inc.

PROPERTY MANAGEMENT:

Senior Housing Assistance Group (SHAG)
and Independent Living

Linden Place at Bitter Lake provides a combined 391 affordable rental housing units for both seniors and families. Two six story mixed-use buildings are situated across a private internal *woonerf* style “living street”. This central *woonerf* creates a shared community space between the senior and family buildings, and can be closed at times to vehicular traffic, giving way to community events such as a weekend fair or block party. Large courtyards, pea-patch gardens, outdoor pavilions and penthouse sunrooms provide a variety of additional community gathering spaces throughout the project.

Commercial / retail tenant spaces anchor the corners of the *woonerf*. Additional commercial / retail street frontage combined with ground floor residential units with street level entries and large porches create a vital and active streetscape for the community. The project is located across from Bitter Lake Park & Community Center and within walking distance of grocery & retail stores, offering a convenient lifestyle and reducing the need for automobile use.

The project met Master Builder’s Built-Green 2-star certification, as well as Seattle City Light’s Built-Smart program. Additional sustainable practices include an electric plug-in vehicle available for use by residents.

SENIOR & FAMILY LIVING NORTH SEATTLE, WA



TUKWILA VILLAGE

REQUEST FOR QUALIFICATIONS

PROJECT STATISTICS

LOCATION:

13000 & 13030 Linden Ave N.
Seattle WA 98133

ZONING: C1-65

SITE AREA:

1.71 Acre (Senior)
1.54 Acre (Family)

STATS:

251 Senior Living Units (147 du/a)
140 Family Living Units (91/du/a)
13,171 SF Commercial / Retail Space

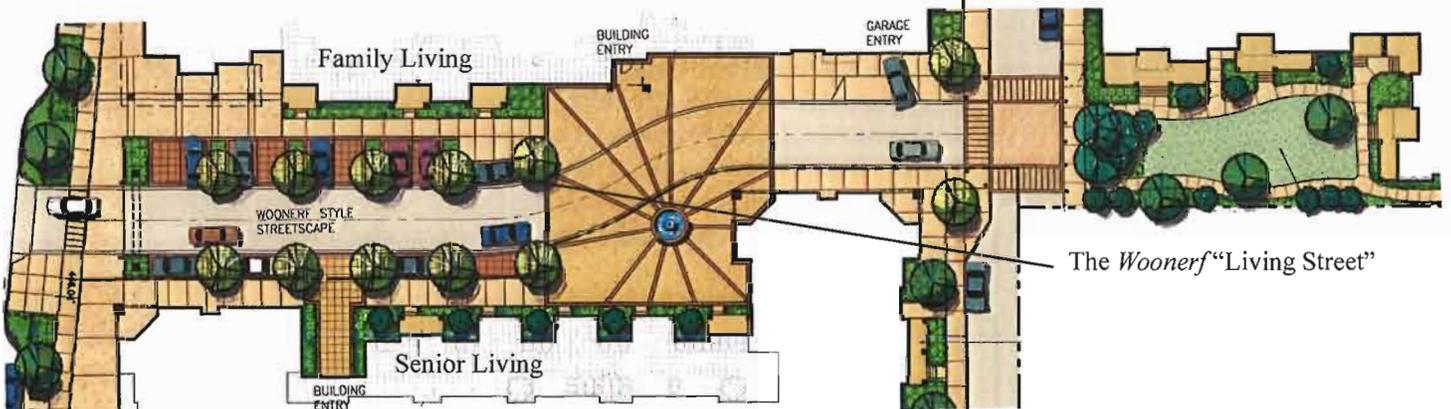
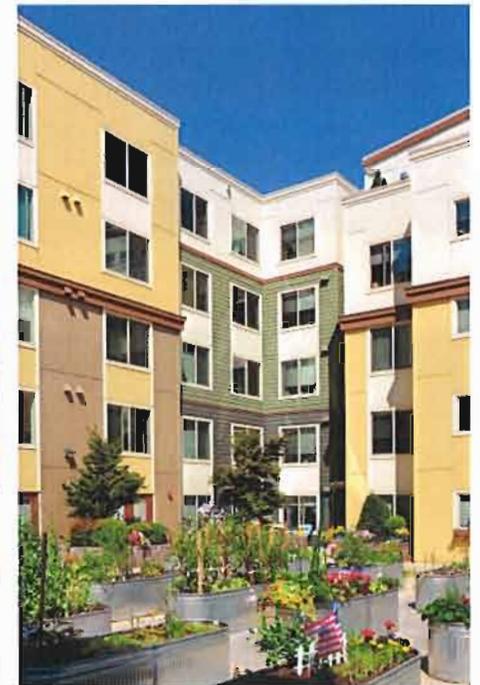
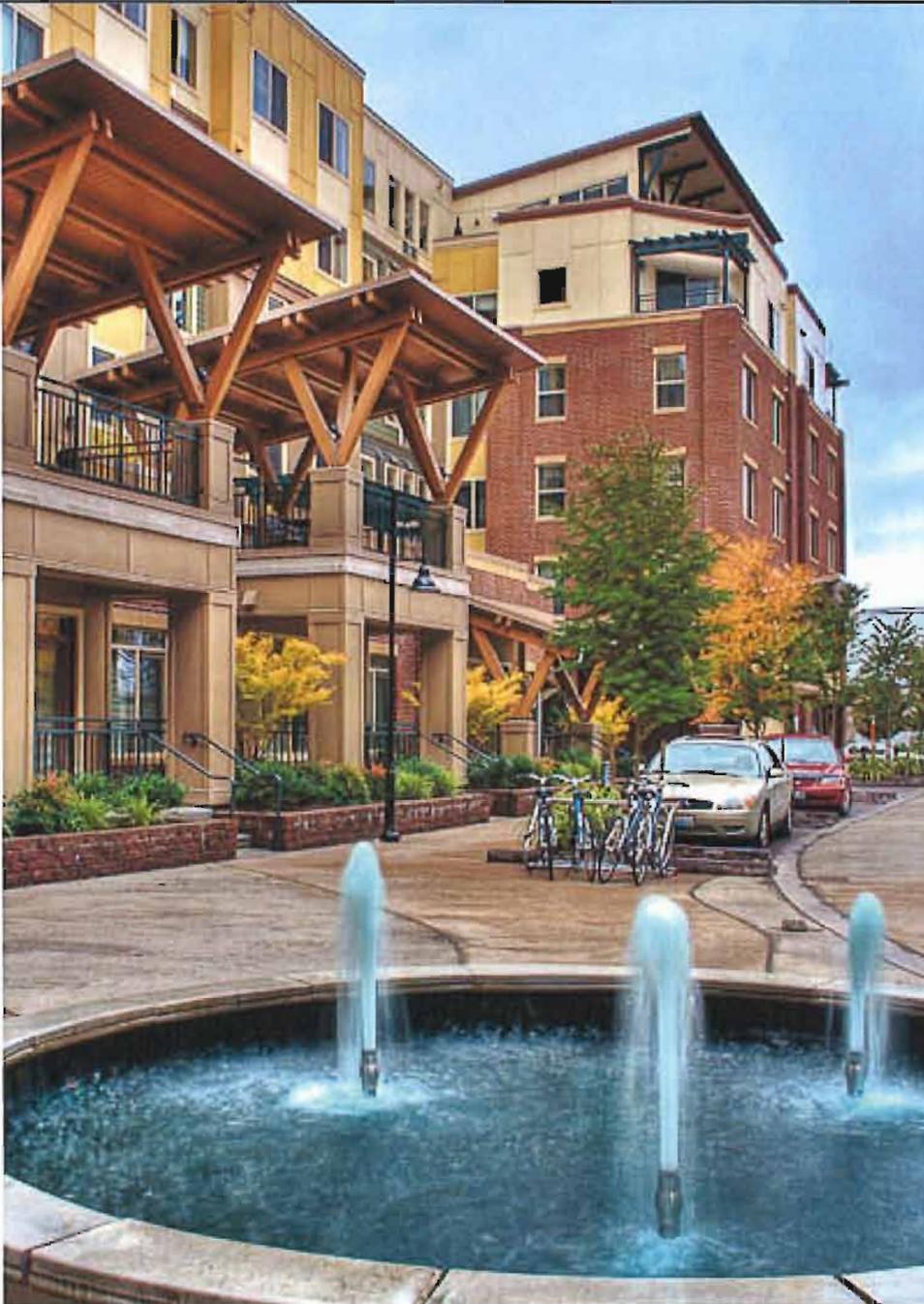
CONSTRUCTION:

Type 5A over Type 1A Podium

DEVELOPMENT COST:

\$ 55.3 Million

SCHEDULE: Completed 2007





PROJECT TEAM

DEVELOPER/OWNER:

Rainier Court Associates I, II & III
Pacific Northern Construction Co., Inc.
SouthEast Effective Development (SEED)

ARCHITECT:

Johnson Braund Design Group, Inc.

LANDSCAPE ARCHITECT:

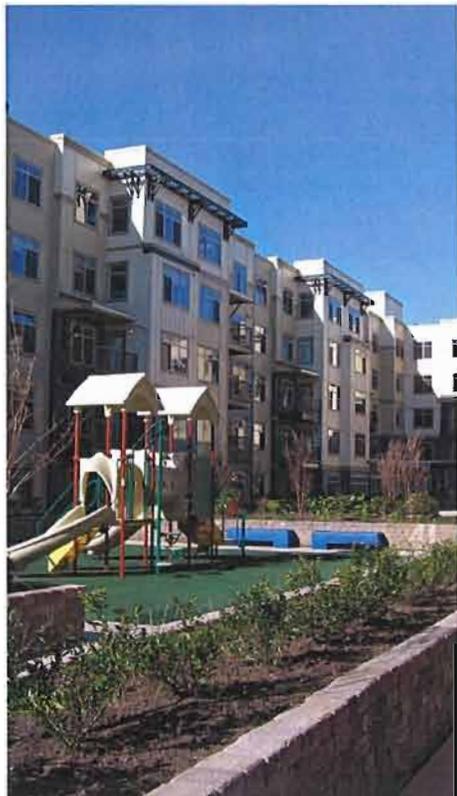
Johnson Braund Design Group, Inc.

CONTRACTOR:

Inter-City Contractors, Inc.

PROPERTY MANAGEMENT:

Senior Housing Assistance Group (SHAG)
and Independent Living



Rainier Court Master Plan Community is a complex urban redevelopment of an unproductive and under utilized 7 acre brownfield site. The many challenges were overcome by a multi-phased Master Plan and experienced project consultants, client and contractor team. Upon completion of the four (4) phases, the project will provide over 500 affordable rental housing units for both seniors & families. Commercial / retail frontage, pedestrian promenades, public art and townhome units with street level entries create an active urban streetscape, as well as providing “eyes on the street” security and defensible spaces. Large private landscaped courtyards and roof terraces provide additional secure options for resident use and recreation.

In 2005, the first two completed phases of the project received EPA’s national Phoenix Award and the Washington Association of Consulting Engineers Silver Award as an innovative approach to improving the environment and providing sustainable redevelopment in an inner city neighborhood.

SENIOR & FAMILY LIVING SOUTH SEATTLE, WA



TUKWILA VILLAGE

REQUEST FOR QUALIFICATIONS



Future Phase III

PROJECT STATISTICS

LOCATION:

3621 & 3642 33rd Avenue S,
3605 34th Avenue S, Seattle, WA 98144

ZONING: C2-65 (ACU)

SITE AREA: 7 Acres

STATS:

Phase I: 208 Senior Living Units
Phase II: 178 Family Living Units
Phase III: 70 Senior Living Units
Phase IV: To be determined
18,507 SF Commercial / Retail Space

CONSTRUCTION:

Type 5A over Type 1A Podium

DEVELOPMENT COST:

\$69 Million (I, II & III)

SCHEDULE:

I & II: Completed 2004 & 2005
III: MUP approval 2010

RECOGNITION: 2005 EPA Region

10 Phoenix Award Winner



EXHIBIT F

Bank References

Construction Lenders for Prior Developments

BANK REFERENCES
CONSTRUCTION LENDERS FOR PRIOR DEVELOPMENTS

Senior Housing Assistance Group
Senior Housing Assistance Corporation
Pacific Northern Construction Company, Inc.
Bryan M. Park

Ann T. Melone, Vice President
US Bank National Association
Commercial Real Estate Division
PD-WA-T8RE
1420 Fifth Avenue, 8th Floor
Seattle, WA 98101
Phone: (206) 344-5423
Fax: (206) 344-5393
Email: ann.melone@usbank.com

Kathleen R. Pittis, Vice President
KeyBank National Association
Community Development Department
M/S WA-31-01-0400
1101 Pacific Avenue, 4th Floor
Tacoma, WA 98402
Phone: (253) 851-3071
Fax: (253) 279-6869
Email: kathleen_r_pittis@keybank.com

Mike Hemmens
Citi Community Capital
325 East Hillcrest Drive, Suite 160
Thousand Oaks, CA 91360
Phone: (805) 557-0930 x 224
Fax: (805) 557-0924
Email: mike.hemmens@citi.com

Victor Karpiak, President and CEO
First Savings Bank Northwest
PO Box 360
Renton, WA 98057
Phone: (425) 255-4400
Fax: (425) 228-7227
Email: karpiakv@fsbnw.com

EXHIBIT G

Bank References

Permanent Lenders for Prior Developments

BANK REFERENCES
PERMANENT FINANCING LENDERS FOR PRIOR DEVELOPMENTS

Senior Housing Assistance Group
Senior Housing Assistance Corporation
Pacific Northern Construction Company, Inc.
Bryan M. Park

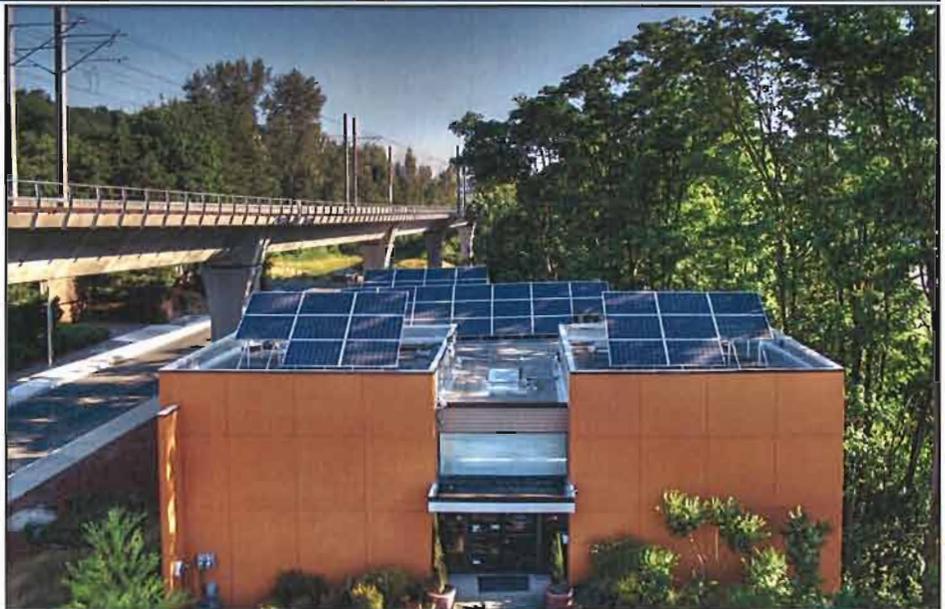
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Seattle, WA 98101
Phone: (206) 344-5423
Fax: (206) 344-5393
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Community Development Department
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Fax: (253) 279-6869
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Mark Dean, Managing Director
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Email: mark.w.dean@citi.com

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Fax: (425) 228-7227
Email: karpiakv@fsbnw.com



For the past 31 years Johnson Braund Design Group, Inc. has designed thousands of top quality projects from coast to coast. We provide architecture, landscape architecture and interior design services on projects throughout the United States.

We began nearly three decades ago as a handful of architects aiming to design affordable multifamily housing. That simple beginning has grown into a company that now offers much more. From industry revolutionizing hotels, comfortable homes, to attractive businesses, and lush green parks, we forge ahead breaking new ground everyday.

Each day, our firm handles dozens of simultaneous projects at a time, while still offering exemplary quality service and value for each of our clients. We believe in creating long lasting relationships with everyone we work with. We routinely team up with communities and private development firms to ensure your projects meet all expectations. This helps lift budgetary constraints of municipalities to suit our clients as well as the communities where we work.

The talented staff at JBDG, Inc is ready to consult with you on your next project. We're here to help make the job easy. From programming and feasibility studies, schematic design, through construction management, we are the firm for winning design solutions that are on time and on budget.



Linden Place - Seattle, WA



Annaliese Apartments - Seattle, WA



Arrowhead Gardens - Seattle, WA



Kirkland Central - Kirkland, WA

Housing has been an integral part of JBDG since our inception in 1977. Our multidiscipline approach to the planning and design of housing developments remains a key focus of the firm today. Historically, our best references have been subcontractors that have built from our documents.

Our expertise in for-sale and for-rent housing encompasses a large and varied range of housing types; from single-family, to attached town homes, two-, three- and four-story stacked flats with integral parking structures, all the way to multi story urban infill and mixed-use projects. Our expertise spans nearly every market market areas including luxury apartments, affordable family and senior housing and market rate family housing.

Senior and affordable housing is an important focus of our work. Our projects address the range of the elderly housing market, from high-end, for-sale retirement housing, affordable, independent apartments, and assisted-living facilities. Special attention is given to the unique requirements of our elderly population in every design. Along with the creation of functional and comfortable units, care is taken to address residents' social and active needs. Our senior housing projects are designed to be representative of the communities where they are located, and available to seniors with various means and levels of support.

SERVICES

- Architecture
- Entitlement/Land-use approvals
- Landscape Architecture
- Master Planning/Site Planning
- Outdoor Activity Areas
- Programming
- Recreation Facilities
- Site Feasibility and Site Analysis



MEL EASTER, ASLA, PRINCIPAL

Mel Easter has been employed by JBDG since 1979 and a partner and principal Landscape Architect since October 1987. Mel's particular passion is providing through analysis and feasibility work, assisting developer clients with preliminary planning and evaluation of potential hotel and housing sites.

As manager of JBDG's landscape architecture studio, Mel has participated in the planning and design of a significant number of for-sale and rental housing communities, hospitality projects, commercial and mixed-use developments throughout the United States.

Throughout his career, Mel has managed and successfully completed entitlement and land-use approvals in dozens of jurisdictions. Although these processes have become increasingly complex in all regions of the country, this success stems from strong leadership and communication skills combined with a comprehensive understanding of the various land-use processes and a carefully selected support staff.

In conjunction with the entitlement approvals, Mel has been an integral part of the public review processes, participating in public design charrettes, leading presentations to land-use agencies, design review boards, community groups, planning commissions and city councils.

JOE GIAMPIETRO, AIA, DIRECTOR OF HOUSING

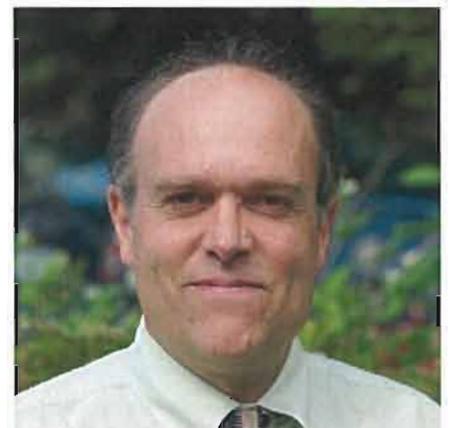
Joe Giampietro heads Johnson Braund Design Group, Inc.'s architecture studio as the Director of Housing. He comes to JBDG with experience as a project manager in multi-family apartment development with The Dwelling Company and its parent company Security Properties, Inc. He has a strong background in real estate development and architecture, with licenses in the state of Washington in both architecture and landscape architecture.

Joe has worked with JBDG for the last 6 years, in charge of housing. His primary duties include negotiating each project's 'scope-of-work' and subsequent contract fees plus providing quality assurance until completion. He will be the first person you call with any concern about the project team's plan, approach and performance.



Education:
Washington State University,
1979

**Professional Landscape
Architecture Registrations:**
WA, OR, CA, AZ, UT, ID



Education:
University of Pennsylvania
1981

**Professional Architecture
Registrations:**
WA



DIANA KEYS, PROJECT MANAGER, LEED AP

Ms. Keys brings over 18 years worth of experience as a project manager and architectural designer with a special focus on housing. Her housing experience ranges a wide gamut, from custom single-family houses to complex multi-family, mixed-use projects and hotels. She is actively involved in all project phases, from schematic design, design team coordination, and construction documents to construction administration.

Recent projects focus on sustainability, multi-family housing for the senior market, affordable housing and accessibility issues. As project manager at JBDG for the last 13 years, Ms. Keys was involved in all aspects of each project featured in this submittal.

Education:

University of Washington
BA - 1988
MArch - 1993

- Certificate in Historic Preservation -
- Awarded AIA School Medal -

LEED AP



Johnson Braund
DESIGN GROUP, INC.

JBDG, Inc. Fact Sheet



FOUNDED

1977

NUMBER OF EMPLOYEES

22

LICENSED IN

38 US States

LEADERSHIP

Greg Allwine, AIA
Mel Easter, ASLA
Jeff Williams, AIA, VP

WEBSITE

www.jbdg.com

JBDG, INC HEADQUARTERS

15200 52nd Ave S.
Seattle, Washington 98188
Phone: 206.766.8300
Fax: 206.766.8080

SERVICES

Architecture
Landscape Architecture
Interior Design
Master Planning
Site Investigation/Due Diligence
Prototype Development & Maintenance
Programming

SPECIALTIES

Hospitality Design
Multifamily Housing
Public Parks

MEDIA CONTACT

Steve Allwine
Director of Marketing and Technology
Phone: 206.766.8300
stevea@jbdg.com

EXHIBIT I

Statement of Experience

Inter-City Contractors, Inc.



INTER-CITY CONTRACTORS INC.

Statement of Experience

Inter-City Contractors, Inc. (ICC) was established in 2003. ICC is a full service General Contractor. Prior to 2003, the principal of Inter-City Contractors, Inc., Greg Herring, was a principal with North Coast Enterprises, Inc. (NCE) along with his father, Al Herring. The two acquired North Coast Enterprises, Inc. in 1985. Initially, the focus of North Coast was commercial construction; movie theatres and retail centers. As the construction market conditions changed, so did the type of projects NCE became involved in. By the end of the 1980's NCE was active in multifamily, tenant improvement as well as continued success with commercial construction.

In 2003, NCE became AA Contractors, which provides labor service to ICC. Al Herring, Greg's father wanted a change that would allow him more personal time. The two worked out an arrangement that would provide that opportunity. AA Contractors is solely owned by Al Herring. ICC is a General Contractor that works tandem with AA Contractors for jobsite supervision and carpentry services for structural concrete, framing, and finish carpentry. From 2003, AA Contractors and ICC have worked together to provide General Contracting services from preconstruction to completion.

The focus of ICC is to provide General Contracting services that develop into long term/repeat relationships with clients. ICC can provide the most effective construction services if they are part of the team from inception. ICC works hand in hand with the project owner, design professionals, municipalities, & utility providers, to assure a successful project that meets budget and schedule requirements. As resources continue to change, ICC maintains focus on innovative construction methods that reduce waste, incorporate products that have longer life cycles, provide systems that supply power and water at reduced levels all working towards conservation and enhanced living conditions.

Inter-City Contractors, Inc.- Projects completed since 2003:

Project Name	Description	Owner	Year
Victoria Park Apartments	152 units, mixed use	Lake City Way 137 Associates	2011
Claremont Apartments Market Rate	68 units, mixed use	Southeast Effective Development	2011
Arrowhead Garden Senior Apartments	449 units, mixed use	Arrowhead Sr. Housing Associates	2010
Rainier Storage & Worklofts	10 level storage and worklofts	3100 LP c/o America Life, Inc.	2010
1700 East Madison Apartments	20 Units Market rate, mixed use	1700 East Madison	2009
Fulton Residence	Large remodel residence	Dave & Amy Fulton	2008
Olympic View Estates 4	Cemetery Expansion	SCI Washington Funeral Service	2008
Hillcrest Estates 2	Cemetery Expansion	SCI Washington Funeral Service	2008
Stone Ave Apartments	30 units Market rate, mixed use	Bert Wicklund	2008
Cedar Park Senior Apartments	206 units, mixed use	Lake City Way Sr. Housing Associates LP	2008
Cambridge Family Apartments	178 units, mixed use	Bitter lake Village Associates, (2) LP	2007
New Haven Senior Apartments	251 units, mixed use	Bitter Lake Village Associates (1) LP	2007
Washington Terrace Senior Apartments	136 unit	Washington Terrace Associates LP	2006
The Dakota at Rainier Court	178 units Market Rate, mixed use	Rainier Court Associates 2003-IIA, LLC	2005
Courtland Place at Rainier Court	206 units senior, mixed use	Rainier Court Associates 2002-I, LLC	2004
The Sequoia Apartments	57 unit market rate senior	Rightland LLC	2004

17425 - 68th Avenue NE PO Box 82405 Kenmore, WA 98028

Phone: (425) 806-8560 Fax: (425) 806-8566

email: info@intercitycontractors.com

Lic. #INTERCI977PZ

Projects completed by NCE/ICC**Multifamily Projects**

<u>Project Name</u>	<u>Type</u>	<u>Project Owner/Developer</u>	<u>Year</u>
Sunset Apartments	Senior Apartment	South Hill Associate(2001) LP	2002
Woodrose Apartments	Senior Apartment	Racine Associates LP (PNCC)	2000
Terrace View Apts	Senior Apartment	Hong Louie	2000
Boardwalk Apartments	Market rate, mixed use	Capitol Way Associates LP (PNCC)	1999
Auburn Court Apartments	Senior Apartment	Auburn North Associates (PNCC)	1998
Commencement Place Apts	Senior Apartment	Commencement Place (PNCC)	1998
Conservatory Place Apts	Senior Apartment	Conservatory Place Apts (PNCC)	1997
Meridian Court Apts	Senior Apartment	Meridian Court Apts (PNCC)	1997
Willamette Court Apts	Senior Apartment	Willamette Court Apts (PNCC)	1997
Gowe Court Apartments	Senior Apartment	Gowe Court Apts (PNCC)	1997
Park Court Apartments	Senior Apartment	Park Court Apts LP (PNCC)	1996
Green River Court Apts	Senior Apartment	Green River Court Apts LP (PNCC)	1996
Meeker Court Apts	Senior Apartment	Meeker Court Apts LP (PNCC)	1996
27 Unit Mixed use Apts	Market rate, mixed use	Golden Stream Co., LTD	1996
Titus Court Apartments	Senior Apartment	Titus Court Apts LP (PNCC)	1995
Cedar River Court Apts	Senior Apartment	Cedar River Court Apts LP (PNCC)	1994
Webster Court Apts	Senior Apartment	Webster Court Apts LP (PNCC)	1994
Washington Square II Apts	Market rate apartments	Washington Square II Tri-Cities	1995
Spencer Court Apartments	Senior Apartment	Spencer Court Apts LP (PNCC)	1993
25 unit Apt & Retail	Market rate, mixed use	6040 California Ave Property	1992
9 unit Apartment	Market rate apartments	Girgis & Aida Karlos	1992
Queen Anne Gardens	Senior Apartment	Q.A.G. LP (PNCC)	1991
36 Unit Apartments	Market rate apartments	510/520 4th Ave Properties	1991
Campbell Gardens	Senior Apartment	Campbell Gardens Apts LP	1988

Commercial Projects

<u>Project Name</u>	<u>Type</u>	<u>Project Owner/Developer</u>	<u>Year</u>
Boren Building Shell	Commercial renovation	Jade Communications	2000
Smokey Point Retail	Retail building	Amy Lam Tran	1999
Forbes Hill Business Park	Office building center	Frank Strahm	1998
Import Outlet Store	Retail building	Sterling Recreation Organization	1996
Kenmore Office Building	Office building	A&G Properties LLC	1996
AA Party Rentals	Warehouse Building	Terrace Property Partnership	1996
BMW Seattle	Auto Retail Building	BMW Seattle	1995
Homelife Furniture/Sears	Retail Warehouse	Fidelity Associates	1994
My Favorite Piroshky	Retail building	Alex Sandler	1994
World Concern	Office/Warehouse	Sterling Recreation Organization	1994
Factoria Retail Building	Retail building	Sterling Recreation Organization	1994
John Lee Retail Center	Retail building	John K. Lee	1994
Vina Plaza	Retail Center	Asia First, Inc.	1992
Sears Auto Center	Retail Center	First & Utag St. Associates, Inc.	1992
Homebase	Large Warehouse Retail	HomeBase Corporate Offices	1992
Twin City Center-Major B	Retail Center	First Nationwide Bank	1991
Shari's Resturant	Resturant	Sterling Recreation Organization	1991
SRO Center	Retail Center	Sterling Recreation Organization	1990
60 Minute Tune	Retail building	Sterling Recreation Organization	1990
AA Rentals	Retail building	Aarenco	1990
Sterling Plaza	Office building	Sterling Recreation Organization	1990

Theater Projects

<u>Project Name</u>	<u>Type</u>	<u>Project Owner/Developer</u>	<u>Complete</u>
Cineplex-Woodinville	12 screen cinema	Cineplex Odeon	1998
Meridian-Seattle	16 screen cinema	Plitt Theatres, Inc.	1996
Lloyd Center -Portland	Multi plex Cinema	Cineplex Odeon	1991
Tacoma Central Cinema	Multi plex Cinema	Cineplex Odeon	1990
82nd Street Cinema Portland	Multi plex Cinema	Cineplex Odeon	1988
Alderwood Cinema Expansion	3 screens added	Sterling Recreation Organization	1988
Oaktree Cinema	6 screens	Sterling Recreation Organization	1986
Factoria Cinema Expansion II	3 screens added	Sterling Recreation Organization	1986
Lyons Cinema Spokane	Multi plex Cinema	Sterling Recreation Organization	1985

Tenant Improvement

<u>Project Name</u>	<u>Type</u>	<u>Project Owner/Developer</u>	<u>Year</u>
Providence Hospital	11,940sf TI	Frank Strahm	All complete
Dover Elevator	6,140sf TI	Dover Elevator	1990-2004
Sound Elevator Office	2,000sf TI	Sound Elevator	
Commercial Retail	4,155sf TI at mixed use	Golden Stream Co., LTD	
Dover Elevator Computer	6,135sf TI	Dover Elevator	
Import Outlet Store	3,150sf TI	Sterling Recreation Organization	
Factoria Cinema Restrooms	1,500sf TI remodel	Sterling Recreation Organization	
Sterling Plaza	88,000sf TI office space	Sterling Recreation Organization	
Seattle Lighting Fixture Co.	2,500sf TI	Sterling Recreation Organization	
Spencer Court Apartments	12,500sf TI at mixed use	Spencer Court Apts LP (PNCC)	
SODO Center	115,500sf TI offices	SODO Development	
Johnny's Food Centers	6,600sf TI	Johnny's Food, Inc.	
Atrium Arc's Mortgage	2,400sf TI	Sterling Recreation Organization	
AirBorne Express	5,000sf TI	AirBorne Express	
Seattle Times Surrey Building	4,600sf TI	Sterling Recreation Organization	
Bristol Myer Squibb	5,500sf TI lab	Bristol Myer Squibb	
Sterling Plaza	115,000sf TI Boeing	Sterling Recreation Organization	
AA Rentals-Lynnwood	4,000sf TI	Aarenc	
SRO Commerce Building	11,100sf TI	Sterling Recreation Organization	
United Associates Building	4,000sf TI	Pacific Rim Equities, LTD	
Overlake Video Store	4,960sf TI	Sterling Recreation Organization	
Everett Office Building	20,500sf TI	Frank Strahm	
South Tacoma Shops	23,400sf TI	Sterling Recreation Organization	
Mini Mart	3,000sf TI Mixed use	510/520 4th Ave Properties	
AA Rentals-Lake City	8,000sf TI	Aarenc	
Columbia Building	11,000sf TI	Trident Investment	
Windemere Court Remodel	50,000sf Remodel Apt	Kwiram	
Oaktree Video Store	5,000sf TI	Sterling Recreation Organization	
Totem Lake Video Store	3,400sf TI	Sterling Recreation Organization	
Alderwood Video Store	4,800sf TI	Sterling Recreation Organization	
Federal Way Video Store	3,737sf TI	Sterling Recreation Organization	
Johnny's Food Centers	40,560sf TI grocery store	Johnny's Food, Inc.	

EXHIBIT J

Statement of Experience

Independent Living Associates, LLC



201 - 27th Avenue SE
Building, Suite #A100
Puyallup, WA 98374

Tel 888-450-7424
Fax 253-231-5020

INDEPENDENT LIVING ASSOCIATES, LLC

STATEMENT OF EXPERIENCE

April, 2011

Independent Living Associates, LLC, a Washington limited liability company doing business as Independent Living, is a full-service property management and consulting services company focusing on the marketing, leasing, operation, management and maintenance of affordable rental apartment communities serving low- and moderate-income individuals and households, with a special emphasis on affordable senior living rental apartment communities serving low- and moderate-income elderly individuals and households. Independent Living currently serves as property management agent in connection with the marketing, leasing, operation, management and maintenance of thirty-three (33) affordable rental apartment communities containing an aggregate of 4,909 dwelling units in various locations in the in the State of Washington, primarily in the Puget Sound Region. **[See the attached schedule of Affordable Rental Apartment Communities Under Management by Independent Living Associates, LLC as Property Management Agent.]** Independent Living, Inc., a Washington corporation, was formed in July, 2001 as the successor to the property management division of Pacific Northern Construction Company, Inc., a Washington corporation (“Pacific Northern”), and the management contracts, operating assets and operations of the property management division of Pacific Northern were transferred to Independent Living, Inc. The property management division of Pacific Northern was formed in March, 1994 as the successor to a proprietorship owned by Earl W. Price, then controlling shareholder of Pacific Northern, which was previously providing property management services for affordable rental apartment communities owned by affiliates of Pacific Northern since 1989. In July, 2002, the management contracts, operating assets and operations of Independent Living, Inc. were transferred to Independent Living Associates, LLC. Accordingly, Independent Living and its predecessors have been providing property management services for affordable rental apartment communities since 1989. The sole members and managers of Independent Living are Pacific Northern and Independent Living, Inc. Pacific Northern is the majority owner of Independent Living (99% ownership interest), and Independent Living, Inc. is the minority owner of Independent Living (1% ownership interest). The following is a brief resume of each of the key officers and senior management staff of Independent Living.

Bryan M. Park, President and Chief Executive Officer: Mr. Park is the President and Chief Executive Officer of Independent Living, Inc., and the President, Chief Executive Officer and controlling shareholder of Pacific Northern, the majority owner of Independent Living. Pacific Northern is a full-service development, construction and management company which specializes in the development, construction, financing, marketing, leasing, operation, management and maintenance of affordable residential rental housing for low- and moderate-income individuals and households, with a special emphasis on affordable rental retirement communities for low- and moderate-income elderly individuals and households. **[For more information on Pacific Northern, see the separate Statement of Experience of Pacific Northern Construction Company, Inc.]**

Mr. Park also is the founder, President and controlling shareholder of Onyx Housing Corporation, which specializes in development and financial consulting for selected

nonprofit, for-profit and public housing sponsors in the affordable housing industry. Mr. Park is an attorney and a CPA with more than thirty (30) years of experience in the practice of law, public accounting, and financial, tax and development consulting. Prior to joining Pacific Northern and founding Onyx Housing, Mr. Park was engaged in the practice of law and public accounting. Mr. Park was admitted to the practice of law in the states of Washington and Iowa, and entered the private practice of law with Reed McClure, a Professional Services corporation headquartered in Seattle, Washington, in January, 1992 and subsequently became a shareholder of the Reed McClure law firm. Mr. Park also served as a principal of and provided financial and development consulting services for affordable housing sponsors through Northwest Housing Resources, a consulting subsidiary of Reed McClure. Mr. Park was a tax and consulting partner with the international public accounting firm of Deloitte & Touche and a predecessor firm, Touche Ross & Co., in Seattle, Washington from 1979 through 1991. During his tenure, Mr. Park served as Director of Real Estate Services for the Northwest practices of Touche Ross & Co. and Deloitte & Touche.

Mr. Park has represented nonprofit, for-profit and public housing sponsors in connection with planning, organizing, financing, acquiring, developing and syndicating both market-rate and affordable housing projects. He also has advised numerous affordable housing sponsors in utilizing a wide variety of federal, state and local housing finance, subsidy and assistance programs, including the Tax-Exempt Private Activity (Volume Cap) Bond Financing Program and the Federal Low-Income Housing Tax Credit Program. Mr. Park is also a frequent speaker at local and national conferences regarding current topics concerning affordable housing development and finance.

Keith A. James, Vice President and Chief Operating Officer: Mr. James serves as Vice President and Chief Operating Officer of Independent Living, Inc. and Vice President of Pacific Northern Construction Company, Inc., with over 15 years of experience in developing, financing, and managing market-rate and affordable senior living facilities in the State of Washington and throughout the United States. Mr. James contributed to Pacific Northern's growth from 1999 through 2003, during which he served as Development Manager and was responsible for project management of the development and financing of new affordable rental apartment communities developed by Pacific Northern and its affiliates. From 2004 through mid-2009, Mr. James operated Legato Consulting, LLC, an independent consulting firm specializing in affordable housing development and finance. In mid-2009, Mr. James rejoined Pacific Northern. In addition, Mr. James became the Vice President and Chief Operating Officer of Independent Living, Inc., and is responsible for overseeing the day-to-day operations of the Company's five (5) divisions; Property Management Supervision and Compliance, Personnel, Accounting and Financial Reporting, Asset Management and Operations, and Marketing and Leasing. Mr. James has extensive knowledge of the senior living design and development process and extensive experience in connection with the financial and asset management of senior living facilities. He has benefited from a broad range of development experience over his career, including the development and financing of market-rate senior living facilities for an affiliate of Holiday Retirement Corporation, the world's largest retirement home operator, and Emeritus Senior Living, a publicly-traded

retirement living and assisted living facility operator, and the development and financing of affordable senior living facilities for various non-profit and for-profit entities. Mr. James earned his Bachelor of Science in Business Administration and Finance from Eastern Washington University.

Linda Funk, Director of Property Management Supervision and Compliance: Ms. Funk is a seasoned real estate professional with over 25 years of experience in managing and supervising conventional multifamily rental apartment communities and affordable rental apartment communities in the western United States. She joined Pacific Northern, the predecessor of Independent Living, in January, 1995 as an Asset Manager, and in August, 1996, was promoted to Director of Property Management Supervision and Compliance. Ms. Funk has extensive knowledge of the Low-Income Housing Tax Credit (LIHTC) Program, and, within the State of Washington, she is a recognized authority in connection with the management, supervision, and compliance monitoring and reporting with respect to LIHTC and Tax Exempt Bond-Financed affordable rental apartment communities. In addition, Ms. Funk has extensive knowledge of Landlord/Tenant laws and Fair Housing laws. Ms. Funk has senior management responsibility for the property management supervision and compliance operations of Independent Living's management portfolio. Ms. Funk is presently working on obtaining accreditation by ARM, and as a CPM.

Keven Ruf, Director of Asset Management: Mr. Ruf has over 15 years of experience in all facets of real estate finance and asset management. Mr. Ruf joined Independent Living in July 2009 as its Director of Asset Management and Operations. Prior to joining the Company, Mr. Ruf was a portfolio manager with Security Properties overseeing the operation of 140 affordable rental apartment communities in 34 states. Mr. Ruf has substantial direct experience in devising, budgeting and implementing various repositioning, refinancing and rehabilitation strategies with respect to seasoned rental apartment communities. Among other things, Mr. Ruf oversees the establishment of annual operating and capital budgets, the performance of monthly evaluations of operations and variance analyses, and routine and preventative maintenance programs for each of the affordable rental apartment communities in the Company's property management portfolio. Mr. Ruf earned his Master of Arts in Urban Planning and his Master of Arts in Latin American Studies from the University of New Mexico, and a Bachelor of Arts in History from the University of Washington.

DeAnne Clune, Director of Marketing and Leasing: Ms. Clune joined Independent Living in July 2010 as its Director of Marketing and Leasing. Ms. Clune has over 22 years experience in sales and marketing, including 12 years of experience in marketing, leasing, advertising and promotion of both new and existing rental apartment communities within the senior living industry. Prior to joining the Company, Ms. Clune served as a Regional Marketing Director for Merrill Gardens, a retirement living and assisted living facility operator, with responsibility for overseeing the marketing, leasing, advertising and promotion of 9 retirement living and assisted living facilities in Washington and Oregon. In addition, she served in a similar capacity for Emeritus Senior Living, a publicly-traded retirement living and assisted living facility operator, with

responsibility for overseeing the marketing, leasing, advertising and promotion of 12 retirement living and assisted living facilities in Washington. Finally, Ms. Clune served as Corporate Marketing Director for Leisure Care, LLC, an operator of upscale senior living communities. With Leisure Care, Ms. Clune was responsible for developing and implementing marketing and leasing strategies for new senior living communities from the pre-development stage through the initial opening and lease-up and stabilization stage, as well as for a portfolio of 35 stabilized senior living communities located throughout Washington, Oregon, Idaho, California, Arizona, New Mexico, Colorado, Utah and Montana, including a re-branding of the company under a theme of *Five Star Fun*. At Independent Living, Ms. Clune is responsible for coordinating all marketing, leasing, advertising and promotional activities and developing and implementing innovative marketing and leasing strategies for both new and existing affordable senior living communities jointly operated and managed by the Senior Housing Assistance Group and Independent Living under the well-known SHAG brand name. SHAG is known for its ground-breaking TV ads featuring Stuart Anderson, the former founder and spokesman for Black Angus Restaurants, with his famous tag-line: "Give SHAG a call and tell 'em Stuart sent ya!" Ms. Clune has helped develop the next generation of SHAG "testimonial" TV ads where real-life seniors, including actual residents of SHAG affordable senior living communities, are featured and deliver the famous Stuart Anderson tag-line in their own voice and name, such as Arthur, a former Chef and cook book author who lives at SHAG's Arrowhead Gardens: "Give SHAG a call and tell 'em Arthur sent you!" Finally, Ms. Clune has assisted Independent Living and SHAG in broadening the appeal of the SHAG brand of affordable senior living communities by increasingly emphasizing the unexpected amenities, as well as the lifestyle aspects of affordable senior living -- promoting and facilitating an active and fulfilling lifestyle -- "affordable living for active seniors."

Debbie LaRue-Crist, Accounting Manager: Ms. LaRue-Crist is a highly motivated and experienced accounting professional with over 20 years of hands-on accounting and financial reporting experience in the construction and property management industries. She has extensive knowledge of and experience in all areas of property management accounting and financial reporting, specialized property management accounting software and general ledger accounting software, including AMSI Powersite and Esite. Ms. LaRue-Crist joined Pacific Northern, the predecessor of Independent Living, in September, 2000 as a Staff Accountant. She was promoted to Senior Staff Accountant in July, 2001 and in March, 2003 was promoted to Accounting Manager. As Accounting Manager, Ms. LaRue-Crist is responsible for the day-to-day management of the Independent Living accounting department and for oversight of the monthly accounting and financial reporting for each of the affordable rental apartment communities in the Company's property management portfolio. She holds an Associate of Applied Science Degree from Highline Community College and has taken numerous accounting and business classes to further her accounting education at Central Washington University, while gaining invaluable on-the-job training.

Tienna Erickson, Compliance Manager: Ms. Erickson has over 16 years of combined experience with Independent Living and Pacific Northern, the predecessor of

Independent Living, and is a highly specialized and motivated professional in the area of compliance monitoring and reporting. In particular, she has extensive knowledge of the compliance requirements under the Low-Income Housing Tax Credit (LIHTC) and Tax Exempt Bond Financing Programs. Ms. Erickson attends various annual LIHTC and Tax Exempt Bond Financing Program compliance training workshops or seminars sponsored by the Washington Housing Finance Commission and Fair Housing training workshops or seminars sponsored by the U.S. Department of Housing and Urban Development (HUD). She is recognized by the Compliance Division of the Washington Housing Finance Commission for her dedication and commitment to excellence in terms of accuracy and thoroughness in LIHTC and Tax Exempt Bond Financing Program certifications of residents in qualified low-income housing projects and qualified residential rental housing projects in their initial year of LIHTC and/or Tax Exempt Bond Program qualification, as well as annual re-certifications. Ms. Erickson joined Pacific Northern in March, 1995 and was promoted to Compliance Manager in July, 2001. As Compliance Manager, Ms. Erickson is responsible for the day-to-day management of the compliance monitoring and reporting operations for each of the affordable rental apartment communities in the Company's property management portfolio.

**AFFORDABLE RENTAL APARTMENT COMMUNITIES UNDER MANAGEMENT
BY INDEPENDENT LIVING ASSOCIATES, LLC**

	<u>Number of Units</u>	<u>Year Completed</u>	<u>Senior Living</u>	<u>Family Living</u>
Completed Projects Owned by Affiliates:				
Spencer Court Apartments, Renton, WA	74	1993	74	
Webster Court Apartments, Kent, WA	92	1994	92	
Cedar River Court Apartments, Renton, WA	100	1995	100	
Titus Court Apartments, Kent, WA	101	1995	101	
Meecker Court Apartments, Kent, WA	131	1996	131	
Green River Court Apartments, Kent, WA	131	1996	131	
Park Court Apartments, Kent, WA	131	1996	131	
Gowe Court Apartments, Kent, WA	50	1997	50	
Meridian Court Apartments, Federal Way, WA	200	1997	200	
Willamette Court Apartments, East Wenatchee, WA	8	1997	8	
Willamette Court Apartments, Federal Way, WA	100	1997	100	
Conservatory Place Apartments I, Tacoma, WA	40	1997	40	
Conservatory Place Apartments II, Tacoma, WA	51	1998	51	
Auburn Court Apartments, Auburn, WA	296	1998	296	
Boardwalk Apartments, Olympia, WA	284	1999	284	
WoodRose Apartments, Bellingham, WA	197	2000	197	
Lakewood Meadows Apartments, Lakewood, WA	168	2001	168	
Sunset Garden Apartments, Puyallup, WA	279	2002	279	
Woodlands Apartments, Kirkland, WA	110	2003	110	
Alderwood Court Apartments, Lynnwood, WA	130	2003	130	
Ballinger Court Apartments, Edmonds, WA	94	2005	94	
Washington Terrace Apartments, Seattle, WA	136	2006	136	
The New Haven Apartments, Seattle, WA	251	2007	251	
The Cambridge Apartments, Seattle, WA	140	2007		140
Cedar Park Apartments, Seattle, WA	206	2008	206	
Arrowhead Gardens, Seattle, WA	449	2010	449	
Victoria Park Apartments, Seattle, WA	152	2011	152	
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Subtotal	4,101		3,961	140
Projects Under Development/Construction Owned by Affiliates:				
Boulevard Place, Bothell, WA	270	2013	270	
	-----		-----	-----
Subtotal	270		270	0
	-----		-----	-----
Subtotal - Projects Owned by Affiliates	4,371		4,231	140
Completed Projects Owned by Third Parties:				
Belltown Senior Apartments, Seattle, WA	25	2002	25	
The Sequoias, Kenmore, WA	57	2004	57	
Courtland Place at Rainier Court, Seattle, WA	208	2004	208	
The Dakota at Rainier Court, Seattle, WA	178	2005		178
	-----		-----	-----
Subtotal	468		290	178
Projects Under Development/Construction Owned by Third Parties:				
Rainier Court Phase III, Seattle, WA	70	2013	70	
	-----		-----	-----
Subtotal	70		70	0
	-----		-----	-----
Subtotal - Projects Owned by Third Parties	538		360	178
	-----		-----	-----
Total - All Projects	4,909		4,591	318
	=====		=====	=====

EXHIBIT K

Demographic Analysis

State of Washington, King County and City of Tukwila Geographic Areas
 Analysis of Demographic Characteristics
 Based on 2000 Census Data
 Comparison of Population By Age

	State of Washington		King County		City of Tukwila	
	Population	% of Total	Population	% of Total	Population	% of Total
Total Population	5,894,121	100.00%	1,737,034	100.00%	17,181	100.00%
Population Age 55+	1,158,728	19.66%	323,299	18.61%	2,605	15.16%
Population Age 60+	873,223	14.82%	239,857	13.81%	1,886	10.98%
Population Age 62+	782,897	13.28%	214,618	12.36%	1,669	9.72%
Population Age 65+	662,148	11.23%	181,772	10.46%	1,344	7.82%

Source: U.S. Census Bureau, Census 2000

Address: S. 144th at Tukwila International Boulevard, Tukwila, WA 98168

	1.0 Mile Radius		3.0 Mile Radius		5.0 Mile Radius	
	Population	% of Total	Population	% of Total	Population	% of Total
Total Population	14,605	100.00%	84,946	100.00%	225,347	100.00%
Population Age 55+	1,970	13.49%	15,916	18.74%	44,858	19.91%
Population Age 60+	1,484	10.16%	12,458	14.67%	35,373	15.70%
Population Age 65+	997	6.83%	8,999	10.59%	25,887	11.49%

Source: The Nielson Company, Senior Life Site Reports, April 11, 2011

City of Tukwila Primary Market Area
 Analysis of Demographic Characteristics
 Based on 2000 Census Data
 Households By Age, Income & Tenure; and Market Penetration Analysis

Address: S. 144th at Tukwila International Boulevard, Tukwila, WA 98168

	1.0 Mile Radius		3.0 Mile Radius		5.0 Mile Radius	
	<u>Households</u>	<u>% of Total</u>	<u>Households</u>	<u>% of Total</u>	<u>Households</u>	<u>% of Total</u>
Total Households	5,679	100.00%	33,775	100.00%	87,531	100.00%
Total Households Age 55+	1,243	21.89%	10,066	29.80%	27,387	31.29%
Households Age 55+ With Income < \$35,000	553	9.74%	4,952	14.66%	12,913	14.75%
Households Age 55+ With Income < \$50,000	817	14.39%	6,877	20.36%	17,631	20.14%
Renter Occupied Housing Units	3,262	57.44%	15,583	46.14%	38,332	43.79%
Required Market Penetration (Based on 321 Units) -						
Households Age 55+ With Income < \$35,000		58.05%		6.48%		2.49%
Households Age 55+ With Income < \$50,000		39.29%		4.67%		1.82%

Source: The Nielson Company, Senior Life Site Reports, April 11, 2011

Address: S. 144th at Tukwila International Boulevard, Tukwila, WA 98168

	1.0 Mile Radius		3.0 Mile Radius		5.0 Mile Radius	
	<u>Population</u>	<u>% of Total</u>	<u>Population</u>	<u>% of Total</u>	<u>Population</u>	<u>% of Total</u>
Total Population	14,952	100.00%	88,473	100.00%	240,669	100.00%
Population Age 55+	2,836	18.97%	20,865	23.58%	59,211	24.60%
Population Age 60+	2,025	13.54%	15,470	17.49%	44,258	18.39%
Population Age 65+	1,213	8.11%	10,075	11.39%	29,304	12.18%

Source: The Nielson Company, Senior Life Site Reports, April 11, 2011

City of Tukwila Primary Market Area
 Analysis of Demographic Characteristics
 Based on 2010 Estimate

Households By Age, Income & Tenure; and Market Penetration Analysis

Address: S. 144th at Tukwila International Boulevard, Tukwila, WA 98168

	1.0 Mile Radius		3.0 Mile Radius		5.0 Mile Radius	
	<u>Households</u>	<u>% of Total</u>	<u>Households</u>	<u>% of Total</u>	<u>Households</u>	<u>% of Total</u>
Total Households	5,671	100.00%	34,534	100.00%	92,427	100.00%
Total Households Age 55+	1,636	28.85%	12,430	35.99%	34,678	37.52%
Households Age 55+ With Income < \$35,000	630	11.11%	5,054	14.63%	13,269	14.36%
Households Age 55+ With Income < \$50,000	943	16.63%	7,326	21.21%	18,878	20.42%
Renter Occupied Housing Units	3,062	53.99%	14,880	43.09%	38,223	41.35%
Required Market Penetration (Based on 321 Units) -						
Households Age 55+ With Income < \$35,000		50.95%		6.35%		2.42%
Households Age 55+ With Income < \$50,000		34.04%		4.38%		1.70%

Source: The Nielson Company, Senior Life Site Reports, April 11, 2011

Address: S. 144th at Tukwila International Boulevard, Tukwila, WA 98168

	1.0 Mile Radius		3.0 Mile Radius		5.0 Mile Radius	
	Population	% of Total	Population	% of Total	Population	% of Total
Total Population	15,251	100.00%	90,874	100.00%	249,383	100.00%
Population Age 55+	3,470	22.75%	24,394	26.84%	68,780	27.58%
Population Age 60+	2,544	16.68%	18,344	20.19%	52,101	20.89%
Population Age 65+	1,617	10.60%	12,293	13.53%	35,422	14.20%

Source: The Nielson Company, Senior Life Site Reports, April 11, 2011

City of Tukwila Primary Market Area
 Analysis of Demographic Characteristics
 Based on 2015 Projection
 Households By Age, Income & Tenure; and Market Penetration Analysis
 Address: S. 144th at Tukwila International Boulevard, Tukwila, WA 98168

	1.0 Mile Radius		3.0 Mile Radius		5.0 Mile Radius	
	<u>Households</u>	<u>% of Total</u>	<u>Households</u>	<u>% of Total</u>	<u>Households</u>	<u>% of Total</u>
Total Households	5,708	100.00%	35,094	100.00%	95,095	100.00%
Total Households Age 55+	1,954	34.23%	14,266	40.65%	39,756	41.81%
Households Age 55+ With Income < \$35,000	734	12.86%	5,446	15.52%	14,177	14.91%
Households Age 55+ With Income < \$50,000	1,087	19.04%	7,993	22.78%	20,340	21.39%
Renter Occupied Housing Units	3,069	53.77%	15,065	42.93%	39,379	41.41%
Required Market Penetration (Based on 321 Units) -						
Households Age 55+ With Income < \$35,000		43.73%		5.89%		2.26%
Households Age 55+ With Income < \$50,000		29.53%		4.02%		1.58%

Source: The Nielson Company, Senior Life Site Reports, April 11, 2011

State of Washington, King County and City of Tukwila Geographic Areas
 Analysis of Demographic Characteristics
 Based on 2000 Census Data
 Population By Race & Ethnicity

	State of Washington		King County		City of Tukwila	
	<u>Population</u>	<u>% of Total</u>	<u>Population</u>	<u>% of Total</u>	<u>Population</u>	<u>% of Total</u>
Total Population	5,894,121	100.00%	1,737,034	100.00%	17,181	100.00%
White (Only)	4,380,314	74.32%	1,220,265	70.25%	7,745	45.08%
Hispanic or Latino	441,509	7.49%	95,242	5.48%	2,329	13.56%
Asian	322,335	5.47%	187,745	10.81%	1,870	10.88%
Black / African American	190,267	3.23%	93,875	5.40%	2,198	12.79%
American Indian / Alaska Native	93,301	1.58%	15,922	0.92%	223	1.30%
Native Hawaiian / Other Pacific Islander	23,953	0.41%	9,013	0.52%	312	1.82%
Other	228,923	3.88%	44,473	2.56%	1,385	8.06%
Multiracial	213,519	3.62%	70,499	4.06%	1,119	6.51%

Source: U.S. Census Bureau, Census 2000

City of Tukwila Primary Market Area
 Analysis of Demographic Characteristics
 Based on 2000 Census Data
 Population By Race & Ethnicity

Address: S. 144th at Tukwila International Boulevard, Tukwila, WA 98168

	1.0 Mile Radius		3.0 Mile Radius		5.0 Mile Radius	
	<u>Population</u>	<u>% of Total</u>	<u>Population</u>	<u>% of Total</u>	<u>Population</u>	<u>% of Total</u>
Total Population	14,605	100.00%	84,946	100.00%	225,347	100.00%
White (Only)	5,832	39.93%	38,970	45.88%	107,106	47.53%
Hispanic or Latino	2,319	15.88%	9,234	10.87%	22,492	9.98%
Asian	1,635	11.19%	12,399	14.60%	37,903	16.82%
Black / African American	1,728	11.83%	11,605	13.66%	27,001	11.98%
American Indian / Alaska Native	193	1.32%	1,092	1.29%	2,645	1.17%
Native Hawaiian / Other Pacific Islander	370	2.53%	1,422	1.67%	3,369	1.50%
Other	1,508	10.33%	5,218	6.14%	12,593	5.59%
Multiracial	1,019	6.98%	5,006	5.89%	12,237	5.43%

Source: The Nielson Company, Senior Life Site Reports, April 11, 2011

Address: S. 144th at Tukwila International Boulevard, Tukwila, WA 98168

	1.0 Mile Radius		3.0 Mile Radius		5.0 Mile Radius	
	Population	% of Total	Population	% of Total	Population	% of Total
Total Population	14,952	100.00%	88,473	100.00%	240,669	100.00%
White (Only)	2,900	19.40%	26,154	29.56%	80,274	33.35%
Hispanic or Latino	3,579	23.94%	14,412	16.29%	35,788	14.87%
Asian	2,129	14.24%	16,560	18.72%	50,725	21.08%
Black / African American	2,316	15.49%	14,587	16.49%	32,613	13.55%
American Indian / Alaska Native	152	1.02%	1,047	1.18%	2,476	1.03%
Native Hawaiian / Other Pacific Islander	454	3.04%	1,848	2.09%	4,281	1.78%
Other	2,259	15.11%	7,934	8.97%	19,640	8.16%
Multiracial	1,163	7.78%	5,930	6.70%	14,871	6.18%

Source: The Nielson Company, Senior Life Site Reports, April 11, 2011

City of Tukwila Primary Market Area
 Analysis of Demographic Characteristics
 Based on 2015 Projection
 Population By Race & Ethnicity

Address: S. 144th at Tukwila International Boulevard, Tukwila, WA 98168

	1.0 Mile Radius		3.0 Mile Radius		5.0 Mile Radius	
	<u>Population</u>	<u>% of Total</u>	<u>Population</u>	<u>% of Total</u>	<u>Population</u>	<u>% of Total</u>
Total Population	15,251	100.00%	90,874	100.00%	249,383	100.00%
White (Only)	1,467	9.62%	19,777	21.76%	66,342	26.60%
Hispanic or Latino	4,243	27.82%	17,166	18.89%	42,890	17.20%
Asian	2,387	15.65%	18,803	20.69%	57,708	23.14%
Black / African American	2,617	17.16%	16,177	17.80%	35,510	14.24%
American Indian / Alaska Native	137	0.90%	1,052	1.16%	2,425	0.97%
Native Hawaiian / Other Pacific Islander	495	3.25%	2,064	2.27%	4,747	1.90%
Other	2,655	17.41%	9,371	10.31%	23,413	9.39%
Multiracial	1,251	8.20%	6,464	7.11%	16,347	6.55%

Source: The Nielson Company, Senior Life Site Reports, April 11, 2011

Address: S. 144th at Tukwila International Boulevard, Tukwila, WA 98168

	1.0 Mile Radius		3.0 Mile Radius		5.0 Mile Radius	
	<u>Population</u>	<u>% of Total</u>	<u>Population</u>	<u>% of Total</u>	<u>Population</u>	<u>% of Total</u>
Total Population Age 65+	997	100.00%	8,999	100.00%	25,887	100.00%
White (Only)	820	82.25%	7,075	78.62%	19,989	77.22%
Hispanic or Latino	23	2.31%	178	1.98%	466	1.80%
Asian	66	6.62%	1,001	11.12%	3,217	12.43%
Black / African American	37	3.71%	443	4.92%	1,410	5.45%
American Indian / Alaska Native	5	0.50%	44	0.49%	132	0.51%
Native Hawaiian / Other Pacific Islander	4	0.40%	30	0.33%	97	0.37%
Other	15	1.50%	69	0.77%	176	0.68%
Multiracial	26	2.61%	160	1.78%	400	1.55%

Source: The Nielson Company, Senior Life Site Reports, April 11, 2011

City of Tukwila Primary Market Area
 Analysis of Demographic Characteristics
 Based on 2010 Estimate
 Population Age 65 & Older By Race & Ethnicity

Address: S. 144th at Tukwila International Boulevard, Tukwila, WA 98168

	1.0 Mile Radius		3.0 Mile Radius		5.0 Mile Radius	
	<u>Population</u>	<u>% of Total</u>	<u>Population</u>	<u>% of Total</u>	<u>Population</u>	<u>% of Total</u>
Total Population Age 65+	1,213	100.00%	10,075	100.00%	29,304	100.00%
White (Only)	753	62.08%	6,177	61.31%	18,238	62.24%
Hispanic or Latino	81	6.68%	573	5.69%	1,443	4.92%
Asian	154	12.70%	1,665	16.53%	5,105	17.42%
Black / African American	93	7.67%	843	8.37%	2,324	7.93%
American Indian / Alaska Native	1	0.08%	43	0.43%	131	0.45%
Native Hawaiian / Other Pacific Islander	10	0.82%	66	0.66%	232	0.79%
Other	43	3.54%	226	2.24%	592	2.02%
Multiracial	78	6.43%	481	4.77%	1,239	4.23%

Source: The Nielson Company, Senior Life Site Reports, April 11, 2011

City of Tukwila Primary Market Area
 Analysis of Demographic Characteristics
 Based on 2015 Projection
 Population Age 65 & Older By Race & Ethnicity

Address: S. 144th at Tukwila International Boulevard, Tukwila, WA 98168

	1.0 Mile Radius		3.0 Mile Radius		5.0 Mile Radius	
	Population	% of Total	Population	% of Total	Population	% of Total
Total Population Age 65+	1,617	100.00%	12,293	100.00%	35,422	100.00%
White (Only)	894	55.29%	6,887	56.02%	20,461	57.76%
Hispanic or Latino	128	7.92%	803	6.53%	2,022	5.71%
Asian	247	15.28%	2,402	19.54%	7,251	20.47%
Black / African American	154	9.52%	1,151	9.36%	2,955	8.34%
American Indian / Alaska Native	2	0.12%	53	0.43%	147	0.41%
Native Hawaiian / Other Pacific Islander	15	0.93%	87	0.71%	292	0.82%
Other	71	4.39%	316	2.57%	834	2.35%
Multiracial	106	6.56%	594	4.83%	1,462	4.13%

Source: The Nielson Company, Senior Life Site Reports, April 11, 2011

EXHIBIT L

HealthPoint Expression of Interest



April 28, 2011

Jay Woolford
Executive Director
Senior Housing Assistance Group
3642 33rd Avenue S, Suite C-4
Seattle, WA 98114

Dear Mr. Woolford,

This letter is to confirm HealthPoint's interest in establishing and operating a full service primary medical and dental clinic in your proposed development of Tukwila Village. We are very excited about the possibility of being co-located with SHAG as we share similar missions of providing affordable services to low income residents in King County – affordable housing and affordable healthcare. We currently serve over 150 residents of SHAG facilities in South King County and look forward to increasing that collaboration through this Tukwila Village project

Our understanding is that if SHAG is selected we will be presented with the option to lease or buy the property that we will occupy in the village development. Based on our conversations we understand that lease rates will be set at or below current market for the area.

With a 40-year history of serving South King County, HealthPoint is well equipped and experienced to take on the addition of another site in Tukwila, a community in need of affordable, quality healthcare. HealthPoint, the largest community health center in King County, served over 63,000 patients last year at 12 sites.

Thank you for your interest in our organization and model and we look forward to working with you on this exciting opportunity for the City of Tukwila.

Sincerely,

A handwritten signature in blue ink, appearing to read "Thomas Trompeter".

Thomas Trompeter
CEO