

Recorded at the Request of
and after Recording Return to:

Housing Authority of the County of King
Attn. Tim Walter
600 Andover Park West
Tukwila, Washington 98188

ASSIGNMENT, ASSUMPTION AND CONSENT AGREEMENT
(Plum Court Apartments)

Grantor: Housing Authority of the County of King
Plum Court Housing Associates LLC
City of Bellevue; City of Redmond; City of Kenmore; City of
Newcastle; City of Mercer Island; City of Medina; City of Clyde Hill;
City of Woodinville; City of Kirkland

Grantee: Housing Authority of the County of King
Plum Court Housing Associates LLC
City of Bellevue; City of Redmond; City of Kenmore; City of
Newcastle; City of Mercer Island; City of Medina; City of Clyde Hill;
City of Woodinville; City of Kirkland

Legal Description (abbreviated): Ptn Lot 13, all of Lots 14-19, Block 2, Duncan's Addition to
Kirkland, Volume 6 of Plats, page 49, and ptn
Sec 8, T25N, R5E, W.M., King County WA

(Additional Legal Description on Exhibit A)

Assessor's Tax Parcel ID#: 082505-9008-01

Reference No[s]. 20030514002626; 20030514002627; 20030514002628;
20030514002629; 20030514002630; 20030514002631;
20030514002632; 20030514002633; 20030514002634;
20030514002635; 20030514002636

and

20030514002638; 20030514002639; 20030514002640;
20030514002641; 20030514002642; 20030514002643;
20030514002644; 20030514002645; 20030514002646

This ASSIGNMENT, ASSUMPTION AND CONSENT AGREEMENT is dated and effective as of _____, 2023 (this “Agreement”), by and among the Housing Authority of the County of King (“KCHA”), a public body corporate and politic of the State of Washington, whose address is 600 Andover Park West, Tukwila, Washington 98188, Plum Court Housing Associates LLC (the “Company”), whose address is 11018 NE 11th Street, Bellevue, Washington 98004, and the following cities (collectively, the “Lenders”):

City of Bellevue, a Washington municipal corporation (the “City of Bellevue”), whose address is 450 110th Avenue NE, Bellevue, WA 98004; City of Redmond, a Washington municipal corporation (the “City of Redmond”), whose address is 15670 NE 85th Street, Redmond, WA 98052; City of Kenmore, a Washington municipal corporation (the “City of Kenmore”), whose address is 6700 NE 181st Street, Kenmore, WA 98028; City of Newcastle, a Washington municipal corporation (the “City of Newcastle”), whose address is 10320 SE 72nd Place, Newcastle, WA 98059; City of Mercer Island, a Washington municipal corporation (the “City of Mercer Island”), whose address is 9611 SE 36th Street, Mercer Island, WA 98040; City of Medina, a Washington municipal corporation (the “City of Medina”), whose address is 501 Evergreen Point Road, Medina, WA 98039; City of Clyde Hill, a Washington municipal corporation (the “City of Clyde Hill”), whose address is 9605 NE 24th Street, Clyde Hill, WA 98004; City of Woodinville, a Washington municipal corporation (the “City of Woodinville”), whose address is 17301 133rd Avenue NE, Woodinville, WA 98072; and City of Kirkland, a Washington municipal corporation (the “City of Kirkland”), whose address is 123 5th Avenue, Kirkland, WA 98033.

For and in consideration of the mutual covenants made herein and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Recitals.

(a) The Company is the current owner of the property located at 451 Fourth Avenue South, Kirkland, Washington, legally described on Exhibit A attached hereto (the “Property”). A portion of the financing for the development of the Property as a 66-unit affordable rental housing apartment complex (the “Project”) was provided by the Lenders.

(b) In connection with the Lenders’ financing of the Project, the Company entered into certain loan documents with, or for the benefit of, the Lenders listed on Exhibit B attached hereto (collectively, with the promissory notes described therein, the “Loan Documents”).

(c) Pursuant to the terms of a Purchase and Sale Agreement dated January 6, 2023 (as it may be amended from time to time, the “Purchase Agreement”), KCHA has agreed to purchase from the Company, and the Company has agreed to sell to KCHA, the Property and the Project. In connection with the sale of the Property and the Project to KCHA, the Company and KCHA have requested that the Lenders consent to the assignment by the Company, and the assumption by KCHA, of the Company’s rights and duties under the Loan Documents.

Section 2. Assignment and Delegation. The Company hereby assigns, grants, conveys and delegates to KCHA all of its rights, title, duties, obligations and interests existing as of this date in and under the Loan Documents.

Section 3. Assumption. KCHA hereby assumes all of its rights, title, duties, obligations and interests existing as of this date in and under the Loan Documents, subject to any nonrecourse provisions therein. KCHA hereby expressly assumes and agrees to perform, observe and confirm all the covenants,

agreements, terms, conditions, obligations, duties and liabilities of the Company under the Loan Documents.

Section 4. **Consent and Release.** Each Lender consents to (a) the transfer by the Company to KCHA of the Project and the Property, and (b) the assignment and delegation by the Company, and assumption by KCHA, of the Company's rights and duties under the Loan Documents. Each Lender hereby waives any notice regarding the transfer of the Project that may otherwise be required by the Loan Documents.

Section 5. **Novation.** The parties to this Agreement, being fully advised and informed, understand that the assignment, assumption and consent set forth herein shall constitute a novation, substituting KCHA as the responsible party assuming the obligations of the Company under the Loan Documents and releasing the Company from all obligations under the Loan Documents.

Section 6. **Address for Owner/Grantor.** The address for the Owner or Grantor, as applicable, under the Loan Documents is amended to read:

Housing Authority of the County of King
600 Andover Park West
Tukwila, Washington 98188
Attention: Executive Director

Section 7. **All Other Provisions of Loan Documents Apply.** Except as and to the extent assigned and assumed by this Agreement, all provisions of the Loan Documents shall remain in full force and effect. No provision of this Agreement subordinates the Loan Documents to any other interest in the Project or Property.

Section 8. **Representations and Warranties of KCHA.** In order to induce the Lenders and the Company to enter into this Agreement, KCHA represents and warrants that:

(a) KCHA is a public body corporate and politic of the State of Washington (the "State"), duly organized and validly existing under and pursuant to the constitution and laws of the State, and has full power and authority under the Constitution and laws of the State to enter into the transactions contemplated on its part by this Agreement, and to carry out its obligations hereunder.

(b) Neither KCHA's execution and delivery of this Agreement, KCHA's consummation of the transactions contemplated on its part hereby and by the Loan Documents, as assigned pursuant to this Agreement, nor KCHA's fulfillment of or compliance with the terms and conditions or provisions of such Loan Documents or this Agreement results in the breach of any of the terms, conditions or provisions of any constitutional provision or statute of the State or of any agreement, instrument, judgment, order or decree to which KCHA is now a party or by which it is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance of any nature upon any property or assets of KCHA prohibited under the terms of any instrument or agreement.

(c) There is no litigation pending or, to the best of KCHA's knowledge, threatened against KCHA questioning KCHA's execution, delivery or performance of its obligations under this Agreement (including obligations of the Company assumed by KCHA pursuant to this Agreement) or the organization, existence, powers or authority of KCHA, or the right of the officers of KCHA to hold their respective offices.

Section 9. **Representations and Warranties of the Company.** In order to induce the Lender and KCHA to enter into this Agreement, the Company represents and warrants that:

(a) The Company is a limited liability company duly formed and validly existing under and pursuant to the constitution and laws of the State, and has full power and authority under the laws of the State to enter into the transactions contemplated on its part by this Agreement and the Loan Documents, and to carry out its obligations hereunder and thereunder.

(b) Neither the Company's execution and delivery of this Agreement nor the Company's fulfillment of or compliance with the terms and conditions or provisions of the Loan Documents or this Agreement conflicts with or results in the breach of any of the terms, conditions or provisions of any statute of the State or of any agreement, instrument, judgment, order or decree to which the Company is now a party or by which it is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance of any nature upon any property or assets of the Company prohibited under the terms of any instrument or agreement.

(c) There is no litigation pending or, to the best of the Company's knowledge, threatened against the Company questioning the Company's execution, delivery or performance of its obligations under this Agreement or the Loan Documents, or the formation, existence, powers or authority of the Company.

Section 10. **Representations and Warranties of the Lenders.** In order to induce KCHA and the Company to enter into this Agreement, each Lender represents and warrants that:

(a) Such Lender has not given any notice of default to the Company under the Loan Documents and, to the best of knowledge of such Lender, no event or circumstance presently exists that, with giving of notice or the passage of time, or both, would constitute a default under the Loan Documents pertaining to its financing for the Project.

(b) Such Lender is a municipal corporation of the State, duly organized and validly existing under and pursuant to the constitution and laws of the State, and has full power and authority under the Constitution and laws of the State to enter into the transactions contemplated on its part by this Agreement and the Loan Documents pertaining to its financing for the Project, and to carry out its obligations hereunder and thereunder.

Section 11. **Further Instruments.** The parties hereto shall execute, acknowledge and record (or arrange for the recording of) such further documents and instruments as may be reasonably necessary from time to time to effectuate the intent of this Agreement.

Section 12. **Successors and Assigns.** This Agreement shall be binding upon KCHA, the Company, each Lender, and their respective successors and assigns, and shall inure to the benefit of such successors and assigns.

Section 13. **Governing Law.** This Agreement shall be governed by and construed in and interpreted in accordance with the laws of the State.

Section 14. **Severability.** If any provision of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable for any reason, such circumstances shall not have the effect

of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatsoever.

Section 15. **Waiver of Notice.** Each signatory hereto hereby waives any applicable notice requirements in connection with this Agreement and the transactions contemplated hereby.

Section 16. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

[Signature pages follow.]

Exhibit A
Property Description

The East half of Lot 13, and all of Lots 14, 15, 16, 17, 18 and 19, Block 2, Duncan's Addition to Kirkland, according to the plat thereof recorded in Volume 6 of Plats, page 49, in King County, Washington, and that portion of Section 8, Township 25 North, Range 5 East, W.M , in King County, Washington, described as follows:

Beginning at the Southeast corner of said plat of Duncan's Addition to Kirkland;
Thence West along the South line thereof 433.15 feet;
Thence South 00°06'45" East 250 feet to the North line of 5th Avenue South;
Thence East along said Avenue 435.20 feet;
Thence North 00°37'54" West 250 feet to the point of beginning;

Except the West 55 feet of the South 120 feet of said tract;

And except the East 72.5 feet of the South 120 feet of said Tract;

And except the South 15 feet thereof conveyed to the City of Kirkland by deed recorded under Recording Number 5143445.

Exhibit B
Loan Documents

Bellevue

- Plum Court Apartments Regulatory Agreement and Declaration of Restrictive Covenants dated as of May 12, 2003, between the Company and City of Bellevue, and recorded on May 14, 2003, as King County recording number 20030514002627;
- Deed of Trust dated May 12, 2003, made by the Company for the benefit of City of Bellevue and recorded on May 14, 2003, as King County recording number 20030514002638, securing indebtedness in the original principal amount of \$535,973.00 evidenced by a separate promissory note of even date therewith from the Company to the City of Bellevue.

Redmond

- Plum Court Apartments Regulatory Agreement and Declaration of Restrictive Covenants dated as of May 12, 2003, between the Company and City of Redmond, and recorded on May 14, 2003, as King County recording number 20030514002628;
- Deed of Trust dated May 12, 2003, made by the Company for the benefit of City of Redmond and recorded on May 14, 2003, as King County recording number 20030514002639, securing indebtedness in the original principal amount of \$100,000.00 evidenced by a separate promissory note of even date therewith from the Company to the City of Redmond.

Kenmore

- Plum Court Apartments Regulatory Agreement and Declaration of Restrictive Covenants dated as of May 12, 2003, between the Company and City of Kenmore, and recorded on May 14, 2003, as King County recording number 20030514002629;
- Deed of Trust dated May 12, 2003, made by the Company for the benefit of City of Kenmore and recorded on May 14, 2003, as King County recording number 20030514002640, securing indebtedness in the original principal amount of \$75,000.00 evidenced by a separate promissory note of even date therewith from the Company to the City of Kenmore.

Newcastle

- Plum Court Apartments Regulatory Agreement and Declaration of Restrictive Covenants dated as of May 12, 2003, between the Company and City of Newcastle, and recorded on May 14, 2003, as King County recording number 20030514002630;
- Deed of Trust dated May 12, 2003, made by the Company for the benefit of City of Newcastle and recorded on May 14, 2003, as King County recording number 20030514002641, securing indebtedness in the original principal amount of \$47,000.00 evidenced by a separate promissory note of even date therewith from the Company to the City of Newcastle.

Mercer Island

- Plum Court Apartments Regulatory Agreement and Declaration of Restrictive Covenants dated as of May 12, 2003, between the Company and City of Mercer Island, and recorded on May 14, 2003, as King County recording number 20030514002631;

FG: 100892044.1

- Deed of Trust dated May 12, 2003, made by the Company for the benefit of City of Mercer Island and recorded on May 14, 2003, as King County recording number 20030514002642, securing indebtedness in the original principal amount of \$20,000.00 evidenced by a separate promissory note of even date therewith from the Company to the City of Mercer Island.

Medina

- Plum Court Apartments Regulatory Agreement and Declaration of Restrictive Covenants dated as of May 12, 2003, between the Company and City of Medina, and recorded on May 14, 2003, as King County recording number 20030514002632;
- Deed of Trust dated May 12, 2003, made by the Company for the benefit of City of Bellevue and recorded on May 14, 2003, as King County recording number 20030514002643, securing indebtedness in the original principal amount of \$10,273.00 evidenced by a separate promissory note of even date therewith from the Company to the City of Medina.

Clyde Hill

- Plum Court Apartments Regulatory Agreement and Declaration of Restrictive Covenants dated as of May 12, 2003, between the Company and City of Clyde Hill, and recorded on May 14, 2003, as King County recording number 20030514002633;
- Deed of Trust dated May 12, 2003, made by the Company for the benefit of City of Clyde Hill and recorded on May 14, 2003, as King County recording number 20030514002644, securing indebtedness in the original principal amount of \$10,000.00 evidenced by a separate promissory note of even date therewith from the Company to the City of Clyde Hill.

Woodinville

- Plum Court Apartments Regulatory Agreement and Declaration of Restrictive Covenants dated as of May 12, 2003, between the Company and City of Woodinville, and recorded on May 14, 2003, as King County recording number 20030514002634;
- Deed of Trust dated May 12, 2003, made by the Company for the benefit of City of Woodinville and recorded on May 14, 2003, as King County recording number 20030514002645, securing indebtedness in the original principal amount of \$10,000.00 evidenced by a separate promissory note of even date therewith from the Company to the City of Woodinville.

Kirkland

- Plum Court Apartments Regulatory Agreement and Declaration of Restrictive Covenants dated as of May 12, 2003, between the Company and City of Kirkland, and recorded on May 14, 2003, as King County recording number 20030514002635;
- Deed of Trust dated May 12, 2003, made by the Company for the benefit of City of Kirkland and recorded on May 14, 2003, as King County recording number 20030514002646, securing indebtedness in the original principal amount of \$33,400.00 evidenced by a separate promissory note of even date therewith from the Company to the City of Kirkland.