

PROPERTY EXCHANGE AGREEMENT

This Property Exchange Agreement (this "Agreement") is made and entered into on the date of the last signature set forth below, by and between the Central Puget Sound Regional Transit Authority, a regional transit authority of the State of Washington ("Sound Transit"), and the City of Bellevue, a Washington municipal corporation (the "City"), each of which is referred to herein individually as a "Party" and collectively as the "Parties."

Recitals

- A. Sound Transit is a regional transit authority created pursuant to Chapters 81.104 and 81.112 Revised Code of Washington with all the powers necessary to implement a high capacity transit system within its boundaries in King, Pierce, and Snohomish Counties.
- B. The City is a non-charter optional municipal code city incorporated under the laws of the state of Washington, with authority to enact laws and enter into agreements to promote the health, safety and welfare of its citizens and for other lawful purposes.
- C. Sound Transit is developing its Operations and Maintenance Facility East ("OMF East") on property located in the city of Bellevue.
- D. Sound Transit anticipates that a portion of the property currently being used for development of the OMF East project (the "OMF East Property") will become surplus to Sound Transit's needs and will be made available for a transit-oriented development project ("TOD Project").
- E. Sound Transit intends to develop frontage improvements, including a 14-foot wide multi-purpose path and associated landscaping (the "Frontage Improvements"), on a portion of the OMF East Property, then create a separate legal parcel consisting of the Frontage Improvements (the "Frontage Parcel"). The Frontage Parcel is described on Exhibit A and depicted on Exhibit A-1, attached hereto.
- F. The City is the owner of real property described in Exhibit B and depicted on Exhibit B-1 (the "City Parcel" or "City Parcel #1099100104") located adjacent to the OMF East Property. Sound Transit is currently performing work related to the OMF East on the City Parcel pursuant to a temporary construction easement under recording number 20171025000555 and extended under recording number 20180620000167. A portion of Sound Transit's work under the temporary construction easement includes the development and construction of a public pedestrian and bicycle trail (the "Public Trail") for the benefit of the public.
- G. Sound Transit and the City are parties to that certain Amended and Restated Umbrella Memorandum of Understanding (the "MOU") dated May 6, 2015. The MOU contemplates a potential exchange between the Parties of the Frontage Parcel and the City Parcel. Specifically, Section 20.2(f) of the MOU provides as follows:

Upon completion and acceptance by the City of the frontage improvements and landscaping described above, the City may request the [Frontage Parcel] be dedicated to the City in fee simple. In exchange for such dedication, the City shall transfer the “City Parcel #1099100104” to Sound Transit pursuant to any applicable requirements.

H. The City and Sound Transit are likewise parties to that certain Implementation Agreement Pursuant to Umbrella Memorandum of Understanding for East Link Project dated August 11, 2016 (the “Implementation Agreement”) the purpose of which is to, among other things, establish a process to enable the timely development of transit-oriented development concurrent with or as close in time as practicable with commencement of operation of Sound Transit’s East Link light rail system.

I. The City has approved a Master Development Plan (“MDP”) for development of the OMF East, including the TOD Project component. The MDP anticipates inclusion of a fee interest in the City Parcel in the proposed TOD development on Sound Transit’s surplus property.

J. Section 20.2(b) of the MOU contemplates that certain design elements – including without limitation a structural shear wall – were to be incorporated into the OMF East project in order to support Phases 1 and 2 development objectives for the TOD Project as generally depicted on Exhibits I-1 and I-2 to the MOU. Through the OMF and MDP design and approval process, as outlined in the Implementation Agreement, certain design elements were deemed unnecessary to accomplish the parties’ development objectives. The parties are therefore in agreement that Sound Transit’s current development scenario for the TOD Project achieves the goals that were to be furthered by Section 20.2(b).

K. The portions of the OMF East Property that Sound Transit intends to declare surplus, along with the City Parcel, are collectively referred to herein as the “TOD Parcels.” A depiction of the TOD Parcels is attached hereto as Exhibit C. The City desires that a portion of the City Parcel or one of the other TOD Parcels be made available for affordable housing in connection with the proposed TOD Project (the “Affordable Housing Development”).

L. To memorialize this commitment for affordable housing, the City Parcel will be conveyed with a restrictive covenant attached hereto as Exhibit F and discussed below, to be developed on the City Parcel or one of the other TOD parcels, with affordability requirements above what would be required pursuant to the City’s amenity incentive system.

M. Pursuant to RCW 81.112.350 Sound Transit is required to offer a minimum of eighty percent of any surplus property that it deems suitable for development as housing to qualified affordable housing entities.

N. The Affordable Housing Development is intended to supplement Sound Transit's affordable housing obligations under RCW 81.112.350. As a result, the parties contemplate that at least two building sites will be offered for affordable housing within the TOD Project.

O. Sound Transit and the City are cooperating in the offering of the TOD Parcels to a qualified entity as that term is defined in RCW 81.112.350 for development of the TOD Project (the "Qualified Entity").

P. The Parties desire to enter into this Agreement in order to carry out the exchange of the Frontage Parcel and City Parcel as contemplated in the MOU at no additional cost to either party, allow the City to meet its objectives of providing affordable housing as part of the TOD Project and, in the interim, provide Sound Transit with the use of the City Parcel without further monetary consideration for completion of the OMF East project and the Public Trail.

Q. The City Parcel and the Frontage Parcel are collectively referred to herein as the "Exchange Properties."

Agreement

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties agree as follows:

1. Conveyance of the Frontage Parcel.

1.1 Upon completion of the Frontage Improvements, and subject to Sound Transit completing its property surplusing process in accordance with its standard procedures, Sound Transit shall convey the Frontage Parcel to the City. The Frontage Improvements shall be substantially consistent with the depiction contained on Exhibit D attached hereto.

1.2 Sound Transit shall, at its sole cost and expense, undertake all actions necessary to legally segregate the Frontage Parcel before conveyance to the City.

1.3 The City understands and acknowledges that Sound Transit intends to retain certain easements on, under, and across the Frontage Parcel in connection with the OMF East project. Such easements shall include: (1) an easement for the relocation of the King County Lake Hills Interceptor; (2) a stormwater drainage easement; (3) a perimeter fence maintenance easement; (4) an easement for miscellaneous utilities serving the OMF East; and (5) a fire separation clearance easement (collectively, the "Retained Easements") and shall be in a form acceptable to the City.

1.4 Sound Transit shall convey the Frontage Parcel to the City in fee by bargain and sale deed in substantially the form attached hereto as Exhibit E, subject to the Retained Easements and any other Permitted Exceptions (defined below).

1.5 Concurrently with conveyance of the Frontage Parcel, Sound Transit shall deliver to the City, without warranty, any and all documents in Sound Transit's possession pertaining to the Frontage Parcel, including without limitation surveys, title reports, environmental and geotechnical reports, as-built information, and any agreements affecting the property.

2. Conveyance of the City Parcel.

2.1 Upon approval by the Sound Transit Board of Directors of the material business terms of an agreement with the Qualified Entity pertaining to development of the TOD Project, the City shall convey the City Parcel to Sound Transit. The parties anticipate that the material business terms of the agreement with the Qualified Entity will include without limitation the following standards, unless otherwise agreed by the Parties:

a. The TOD Project shall contain a minimum of 80 housing units that are affordable to those earning 60% or less of the area median income for King County ("AMI"). These 80 housing units shall be located on the City or such other TOD Parcel as is mutually agreed upon by the Parties, as described further in Section 3 below.

b. In addition to the affordable housing units described in Paragraph 2.1(a), the TOD Project will provide affordable units required under RCW 81.112.350 and affordable units under Bellevue Land Use Code ("LUC") 20.25D.090. Where LUC 20.25D.090 bonus criteria are met, these units may also be counted for meeting the requirements for RCW 81.112.350.

c. A minimum of 15% of the affordable housing units within the TOD Project shall contain two bedrooms.

d. A minimum of 10% of the affordable housing units within the TOD Project shall contain three or more bedrooms. This shall be over and above the number of two-bedroom units described in subparagraph 2.1(c).

e. Unless otherwise consented to by Sound Transit and the City, the Qualified Entity shall have secured all necessary funding and permits prior to Sound Transit's conveyance of any of the TOD Parcels to the Qualified Entity.

f. The remaining portion of the TOD Project may include mixed-use development, including residential (affordable and market rate) and non-residential uses as permitted by applicable zoning and consistent with the MOU and the Implementation Agreement.

2.2 The City's conveyance of the City Parcel shall be subject to a restrictive covenant (the "Restrictive Covenant") in substantially the form attached hereto as Exhibit F (provided, that the City shall have the option to substitute an alternate restrictive covenant if the City Parcel is to be used for affordable homeownership units as opposed to rental units),

which, subject to Section 3 below, shall restrict the use of the City Parcel to the Affordable Housing Development and shall be recorded in a first priority position, ahead of any mortgage, deed of trust, encumbrance or other monetary lien. If required to ensure recording of the Restrictive Covenant in a first priority position, the City, Sound Transit and any lender or holder of an encumbrance, shall sign a priority agreement ensuring the first priority position of the Restrictive Covenant. In the event the City substitutes the Restrictive Covenant with an alternate restrictive covenant (for affordable homeownership units as opposed to rental units), such alternate restrictive covenant may be executed by the City Manager, or his or her designee, without need for approval of the City Council.

2.3 The City shall convey the City Parcel to Sound Transit in fee by bargain and sale deed in substantially the form attached hereto as Exhibit G, subject to the Restrictive Covenant, reversionary interest discussed in Section 4.1 and any Permitted Exceptions (defined below) identified in Exhibit H attached hereto.

2.4 Sound Transit understands and acknowledges that the City has future road widening plans for 120th Avenue NE and intends to retain certain property rights on, under, and across the City Parcel in connection with such road widening project. The 120th Avenue NE road widening project is still in the conceptual stages of design. At such time as the City determines what rights are necessary from the City Parcel related to the 120th Avenue NE road widening project, Sound Transit, or its successor, shall dedicate such rights to the City at no cost. Pursuant to LUC 20.25D.080.D.1, land dedicated for right-of-way identified in an adopted plan may be used for the purpose of computing maximum development density calculate as Floor Area Ratio (“FAR”). Sound Transit or its successor may utilize the square footage that is dedicated for purposes of the development density calculation under the currently vested MDP, and/or under any future proposals utilizing the provisions of LUC 20.25D.080.D.1.

3. Conditional Release of Restrictive Covenant.

3.1 The City expressly agrees that development of the Affordable Housing Development in a manner consistent with the terms of the Restrictive Covenant on one of the TOD Parcels of equivalent value and utility, as generally depicted on Exhibit C, as an alternative to development of the Affordable Housing Development on the City Parcel, is sufficient to achieve its objective of creating affordable housing as part of the TOD Project. The Parties further acknowledge that Sound Transit and the Qualified Entity may agree that the Affordable Housing Development should be located on one of the TOD Parcels other than the City Parcel (an “Alternative Affordable Housing Parcel”) and that the City has an interest in the location of the Affordable Housing Development. To that end, the City shall have the right to participate in the selection of the Alternative Affordable Housing Parcel.

3.2 In the event Sound Transit and the Qualified Entity agree to development of the Affordable Housing Development on an Alternative Affordable Housing Parcel, the City

and Sound Transit shall record a Restrictive Covenant in substantially the form attached hereto as Exhibit F (provided, that the City shall have the option to substitute an alternate restrictive covenant if the City Parcel is to be used for affordable homeownership units as opposed to rental units). Such Restrictive Covenant shall be recorded against such Alternative Affordable Housing Parcel in a first priority position, ahead of any mortgage, deed of trust, encumbrance or other monetary lien.

3.3 Upon recording the Restrictive Covenant against the Alternative Affordable Housing Parcel, the City shall release the Restrictive Covenant as to the City Parcel. Such release may be executed by the City Manager, or his or her designee, without need for approval of the City Council.

3.4 At the sole option of the City, the City may release the Restrictive Covenant if it determines that a substantially equivalent affordable housing covenant running with the land is recorded on the real property records by the City or another entity in a form acceptable to the City and Sound Transit. Such release may be executed by the City Manager, or his or her designee, without need for approval of the City Council.

4. Security for Performance.

4.1 In the event Sound Transit and the Qualified Entity do not close on the transfer of one of the TOD Parcels for development of the Affordable Housing Development within four (4) years of the City's conveyance to Sound Transit of the City Parcel, the City shall be entitled to recover title to the City Parcel; provided, however, that the four (4) year period to close and transfer the City Parcel may be extended for up to an additional year at the option of the City upon a request for an extension by the Qualified Entity. The bargain and sale deed evidencing the conveyance to Sound Transit of the City Parcel shall contain a reversionary right allowing the City to reclaim ownership of the parcel in the event the conditions of this paragraph are not satisfied. Provided, however, that, in lieu of the reconveyance of the City Parcel to the City, the parties may agree that Sound Transit will convey to the City another TOD Parcel of substantially equivalent value and utility. The City Manager, or his or her designee, may elect to exercise such right of reversion without need for approval of the City Council. Sound Transit shall use best efforts to cause the Qualified Entity to develop the Affordable Housing Development within four (4) years of the transfer.

5. Condition of Exchange Properties.

5.1 Sound Transit is acquiring the City Parcel solely in reliance on Sound Transit's own investigation, inspection and testing thereof, and except for the express representations and warranties contained in this Agreement, no representations, claims or warranties of any kind whatsoever, express or implied, concerning the City Parcel or its fitness, condition or suitability for any use or purpose, including without limitation the environmental condition of the City Parcel, have been made by the City or any party acting

on behalf of the City. Except as specifically provided in this Agreement, Sound Transit is acquiring the City Parcel “as is” and “where is” with any and all damage, faults and defects, and subject to a restrictive covenant as described in Section 2.2 hereof, recorded in a first priority position on the City Parcel. Sound Transit agrees that all reports, studies, analyses, maps, drawings, materials and other documents provided by the City to Sound Transit are provided only as an accommodation to Sound Transit, with no representation or warranty as to their completeness, reliability, sufficiency, or accuracy.

5.2 Subject to its approval of the Frontage Improvements as being materially consistent with Exhibit D, the City is acquiring the Frontage Parcel solely in reliance on the City’s own investigation, inspection and testing of the property, and except for the express representations and warranties contained in this Agreement, no representations, claims or warranties of any kind whatsoever, express or implied, concerning the Frontage Parcel or its fitness, condition or suitability for any use or purpose, including without limitation the environmental condition of the Frontage Parcel, have been made by Sound Transit or any party acting on behalf of Sound Transit. Except as specifically provided in this Agreement and subject to the City’s approval of the Frontage Improvements as being materially consistent with Exhibit D, the City is acquiring the Frontage Parcel “as is” and “where is” with any and all damage, faults and defects. The City agrees that all reports, studies, analyses, maps, drawings, materials and other documents provided by Sound Transit to the City are provided only as an accommodation to the City, with no representation or warranty as to their completeness, reliability, sufficiency, or accuracy.

5.3 Prior to conveyance of the Frontage Parcel, Sound Transit shall have the right to use the Frontage Parcel related to the OMF East project; provided, however that Sound Transit shall not construct any buildings or install any other permanent improvements (other than as set forth on Exhibit D) on the Frontage Parcel, or dispose of any Hazardous Substances on the Frontage Parcel without the prior written consent of the City. Sound Transit shall be responsible for remediation and cleanup associated with any existing Hazardous Substances that it encounters on the Frontage Parcel in the course of its work related to the OMF East project prior to conveyances of the Frontage Parcel to the City. Notwithstanding the foregoing, both Sound Transit and the City reserve all legal rights to seek contribution from potentially responsible parties. Prior to conveyance of the Frontage Parcel, Sound Transit shall restore the site consistent with permit requirements.

5.4 The City shall not construct any buildings or install any other permanent improvements on the City Parcel, or dispose of any Hazardous Substances on the City Parcel without the prior written consent of Sound Transit.

6. Title Review.

6.1 City Parcel.

a. Sound Transit has the right to obtain at its cost a commitment for an American Land Title Association (“ALTA”) owner's standard or extended coverage title insurance policy issued by Chicago Title Company or such other title company agreed to by the Parties (“the Title Company”), describing the City Parcel, showing all matters pertaining to the City Parcel, listing Sound Transit as the prospective named insured (the “City Parcel Preliminary Commitment”), along with copies of all documents referred to in such preliminary commitment as conditions or exceptions to title to the City Parcel.

b. Sound Transit shall give notice to the City of any objectionable matters contained in the City Parcel Preliminary Commitment or any supplemental report to such commitment within ten (10) days after receipt of the preliminary commitment or any supplement thereof. The City shall notify Sound Transit within ten (10) days of its receipt of Sound Transit’s notice if an owner’s title policy cannot be issued to Sound Transit without an exception for any such objectionable matter. The City’s failure to notify Sound Transit within the ten (10) day period that any such objectionable exception cannot be removed shall require the City to remove such exception at or prior to Closing. If the City notifies Sound Transit that it cannot clear an objectionable exception at or prior to Closing, Sound Transit may thereafter either waive its objection and proceed to close subject to the objectionable exception, or may elect to pursue its remedies under the dispute resolution provisions set forth in the MOU. Notwithstanding the foregoing, Sound Transit shall not object to the items listed on Exhibit H hereto, which shall be deemed permitted exceptions (“Permitted Exceptions”). Any matters to which Sound Transit does not object as described herein or to which Sound Transit waives its objection shall likewise be deemed Permitted Exceptions.

c. Any liens, encumbrances, easements, restrictions, conditions, covenants, rights, rights-of-way and other matters affecting title to the City Parcel that are created or that may appear of record after the effective date of the preliminary commitment but before conveyance of the City Parcel to Sound Transit (hereinafter “Intervening Liens”), shall be subject to Sound Transit’s approval. Sound Transit shall have ten (10) days after notice in writing of any Intervening Lien, together with a description thereof and a copy of the instrument creating or evidencing the Intervening Lien, to submit written objections thereto. If the City notifies Sound Transit that it cannot clear an objectionable Intervening Lien at or prior to conveyance of the City Parcel, Sound Transit may thereafter either waive its objection and proceed to close subject to the objectionable exception, or may elect to pursue its remedies under the dispute resolution provisions set forth in the MOU. Any Intervening Liens to which Sound Transit does not object as described herein or to which Sound Transit waives its objection shall likewise be deemed Permitted Exceptions.

6.2 Frontage Parcel.

a. After notice from Sound Transit that it has completed the Frontage Parcel subdivision, the City has the right to obtain at its cost a commitment for an American Land Title Association (“ALTA”) owner's standard or extended coverage title insurance

policy issued by the Title Company, describing the Frontage Parcel, showing all matters pertaining to the Frontage Parcel, listing the City as the prospective named insured (the "Frontage Parcel Preliminary Commitment"), along with copies of all documents referred to in such preliminary commitment as conditions or exceptions to title to the Frontage Parcel.

b. The City shall give notice to Sound Transit of any objectionable matters contained in the Frontage Parcel Preliminary Commitment or any supplemental report to such commitment within ten (10) days after receipt of the preliminary commitment or any supplement thereof. Sound Transit shall notify the City within ten (10) days of its receipt of the City's notice if an owner's title policy cannot be issued to the City without an exception for any such objectionable matter. Sound Transit's failure to notify the City within the ten (10)-day period that any such objectionable exception cannot be removed shall require Sound Transit to remove such exception at or prior to Closing. If Sound Transit notifies the City that it cannot clear an objectionable exception at or prior to Closing, the City may thereafter either waive its objection and proceed to close subject to the objectionable exception, or may elect to pursue its remedies under the dispute resolution provisions set forth in the MOU. Notwithstanding the foregoing, the City shall not object to the items listed on Exhibit I hereto, which shall be deemed Permitted Exceptions. Any matters to which the City does not object as described herein or to which the City waives its objection shall likewise be deemed Permitted Exceptions.

c. Any Intervening Liens that are created or that may appear of record after the effective date of the Frontage Parcel Preliminary Commitment but before conveyance of the Frontage Parcel to the City shall be subject to the City's approval. The City shall have ten (10) days after notice in writing of any Intervening Lien, together with a description thereof and a copy of the instrument creating or evidencing the Intervening Lien, to submit written objections thereto. If Sound Transit notifies the City that it cannot clear an objectionable Intervening Lien at or prior to conveyance of the Frontage Parcel, the City may thereafter either waive its objection and proceed to close subject to the objectionable exception, or may elect to pursue its remedies under the dispute resolution provisions set forth in the MOU. Any Intervening Liens to which the City does not object as described herein or to which the City waives its objection shall likewise be deemed Permitted Exceptions.

7. Closing Costs and Prorations.

7.1 Sound Transit shall be solely responsible for the cost of any owner's title policy and any and all surveys pertaining to the City Parcel, along with any and all recording fees, transfer taxes, and escrow fees pertaining to the City Parcel.

7.2 The City shall be solely responsible for the cost of any owner's title policy and any and all surveys pertaining to the Frontage Parcel (except for those costs associated

with the Frontage Parcel subdivision), along with any and all recording fees, transfer taxes, and escrow fees pertaining to the Frontage Parcel.

7.3 The City shall pay all real estate taxes, personal property taxes, and assessments (collectively, "Taxes"), if any, accruing to, attributable to, or becoming a lien against the City Parcel that are due and payable before the date of conveyance of the City Parcel to Sound Transit. Sound Transit shall pay all Taxes, if any, accruing to, attributable to, or becoming a lien against the Frontage Parcel that are due and payable before the date of conveyance of the Frontage Parcel to the City.

7.4 All utility charges and the charges under any service contracts or insurance premiums pertaining to each of the Exchange Properties will be prorated between the Parties as of the date of conveyance of the respective parcels.

7.5 Other than as set forth above or elsewhere in this Agreement, each Party shall pay its own costs and expenses incurred in connection with the exchange transaction contemplated by this Agreement, including without limitation attorneys' fees and costs.

8. Operations Pending Closing.

8.1 Except as otherwise set forth in this Agreement, neither Party shall, before the date of conveyance of the respective parcels, (a) enter into any lease, easement, license or other agreement concerning occupancy or use of either of the Exchange Properties; or (b) enter into or consent in writing to, any easement, encumbrance, covenant, condition, or restriction affecting either of the Exchange Properties without first obtaining the other Party's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed. Provided, however, that nothing herein shall be deemed to limit or restrict the ability of either Party to allow third parties access to and use of the City Parcel to perform due diligence activities in connection with the TOD Project, nor to restrict or limit Sound Transit's access to or use of either Exchange Property in connection with the OMF East project.

8.2 In consideration of the terms and conditions contained in this Agreement and the MOU, and in consideration of Sound Transit's development and construction of the Public Trail, prior to the date of conveyance of the City Parcel to Sound Transit, Sound Transit shall be entitled to use and occupy the City Parcel without further monetary payment, pursuant to the terms of the temporary construction easement agreement recorded under 20171025000555 and as extended under recording number 20180620000167 until conveyance of the City Parcel to Sound Transit.

9. Additional Documents. The Parties agree to execute and/or deliver any and all additional documents necessary to carry out the terms of the transaction contemplated herein, including without limitation (a) the deeds in substantially the form attached hereto as Exhibits E and G; (b) the Restrictive Covenant attached hereto as Exhibit F; and (c) such

other and further documents as may be reasonably required to consummate the transaction contemplated by this Agreement.

10. Representations and Warranties.

10.1 Sound Transit. Sound Transit makes the following representations and warranties:

a. Sound Transit is a regional transit authority validly existing under the laws of the State of Washington.

b. Sound Transit has all requisite power and authority to enter into this Agreement and consummate the exchange transaction contemplated in this Agreement. Sound Transit has duly authorized the execution and delivery of this Agreement such that all documents to be executed by Sound Transit are its valid, legally binding obligations and are enforceable against it in accordance with their terms.

c. The persons executing this Agreement and any and all documents on behalf of Sound Transit have the legal power, right, and actual authority to bind Sound Transit.

d. Sound Transit has no notice of, and to the best of Sound Transit's knowledge there are no, actions, suits, or proceedings pending, threatened or asserted against Sound Transit or the Frontage Parcel, before or by any federal, state, municipal, or other governmental department, court, commission, board, bureau, agency, or instrumentality relating to Sound Transit's ownership of the Frontage Parcel.

e. Sound Transit has no notice of, and to the best of Sound Transit's knowledge there are no, pending or threatened condemnation actions with respect to the Frontage Parcel.

f. Sound Transit has not received any notice of, and to the best of its knowledge there are no, ordinances, regulations, laws, or statutes of any governmental agency pertaining to the Frontage Parcel which the Frontage Parcel violates.

g. Sound Transit's execution of this Agreement and its consummation of the exchange transaction do not and will not breach any agreement or constitute a default or a condition that would ripen into a default under any agreement to which Sound Transit is a party or by which all or part of the Frontage Parcel is bound. Furthermore, Sound Transit's execution of this Agreement and its consummation of the exchange transaction do not and will not violate any order, rule, or regulation applicable to Sound Transit or the Frontage Parcel of any court or any federal, state, or municipal regulatory body or administrative agency or other governmental body.

h. Sound Transit has no notice of, and to the best of Sound Transit's knowledge there are no, actions, suits, proceedings, orders, inquiries, or investigations are pending or are threatened against, involving, or affecting the Frontage Parcel, at law or in equity, or before or by any federal, state, municipal, or other governmental department, court commission, board, bureau, agency, or instrumentality, alleging the violation of any federal, state, or local law, statute, ordinance, rule, regulation, decree, order, and/or permit relating to Environmental Matters (defined below) or the release of any Hazardous Substances (defined below).

i. Sound Transit has no notice of, and to the best of Sound Transit's knowledge Sound Transit has not disposed of, released, or identified, any material amount of Hazardous Substances on, under or in the vicinity of the Frontage Parcel.

j. Sound Transit has no notice that the Frontage Parcel is in violation of any Environmental Laws (defined below).

10.2 The City. The City makes the following representations and warranties:

a. The City is a municipal corporation validly existing under the laws of the State of Washington.

b. The City has all requisite power and authority to enter into this Agreement and consummate the exchange transaction contemplated in this Agreement. The City has duly authorized the execution and delivery of this Agreement such that all documents to be executed by the City are its valid, legally binding obligations and are enforceable against it in accordance with their terms.

c. The persons executing this Agreement and any and all documents on behalf of the City have the legal power, right, and actual authority to bind the City.

d. The City has no notice of, and to the best of the City's knowledge there are no, actions, suits, or proceedings pending, threatened or asserted against the City or the City Parcel, before or by any federal, state, municipal, or other governmental department, court, commission, board, bureau, agency, or instrumentality relating to the City's ownership of the City Parcel.

e. The City has no notice of, and to the best of the City's knowledge there are no, pending or threatened condemnation actions with respect to the City Parcel.

f. The City has not received any notice of, and to the best of its knowledge there are no, ordinances, regulations, laws, or statutes of any governmental agency pertaining to the City Parcel which the City Parcel violates.

g. The City's execution of this Agreement and its consummation of the exchange transaction do not and will not breach any agreement or constitute a default or a

condition that would ripen into a default under any agreement to which the City is party or by which all or part of the City Parcel is bound. Furthermore, the City's execution of this Agreement and its consummation of the exchange transaction do not and will not violate any order, rule, or regulation applicable to the City or the City Parcel of any court or any federal, state, or municipal regulatory body or administrative agency or other governmental body.

h. The City has no notice of, and to the best of the City's knowledge there are no, actions, suits, proceedings, orders, inquiries, or investigations are pending or are threatened against, involving, or affecting the City Parcel, at law or in equity, or before or by any federal, state, municipal, or other governmental department, court commission, board, bureau, agency, or instrumentality, alleging the violation of any federal, state, or local law, statute, ordinance, rule, regulation, decree, order, and/or permit relating to Environmental Matters or the release of any Hazardous Substances.

i. The City has no notice of, and to the best of the City's knowledge the City has not disposed of, released, or identified, any material amount of Hazardous Substances on, under or in the vicinity of the City Parcel.

j. The City has no notice that the City Parcel is in violation of any Environmental Laws.

10.3 For purposes of this Agreement:

a. "Environmental Laws" means all applicable laws (including regulations, by-laws, codes, international treaties, and agreements) with respect to the Exchange Properties, now or hereafter in existence, relating to the environment, health and safety matters, Hazardous Substances, pollution, or protection of the environment.

b. "Environmental Matters" means matters relating to the generation, manufacture, use, storage, handling, transportation, and/or disposal of Hazardous Substances, or conditions with respect to the atmosphere, soil, surface and ground waters, wetlands, stream sediments, vegetation, endangered species, and stormwater runoff or discharge.

c. "Hazardous Substances" means any substance that is, or is deemed under Environmental Laws to be, alone or in any combination — hazardous, hazardous waste, toxic, radioactive, a pollutant, a deleterious substance, a contaminant, a dangerous good, or a source of pollution or contamination, or which, when released into the environment, is likely to cause, at some immediate or future time, material harm or degradation to the environment or material risk to human health, whether or not such substance is defined as "hazardous" under Environmental Laws.

10.4 The provisions of this Section 10 shall survive the conveyance of the respective Exchange Properties and shall bind each Party and its respective heirs, successors, and assigns.

11. Default. Either Party will be in default under this Agreement if (a) it fails or refuses to exchange either of the Exchange Properties, or (b) it fails to perform any of its other obligations set forth herein and such failure is not cured within five (5) business days after written notice of default from the other Party. In the event of a default, the Parties shall employ the dispute resolution procedures set forth in the MOU and any amendments thereto.

12. OMFE Design Elements. The Parties concur that the intent of the design elements described in Section 20.2(b) of the MOU has been satisfied.

13. Miscellaneous.

13.1 Entire Agreement; Amendments. This Agreement (including its exhibits) contains the entire agreement between the Parties. Oral statements or prior written matter not specifically incorporated into this Agreement have no force or effect. No variation, modification, or change to this Agreement binds either party unless set forth in a document signed by the parties or their duly authorized agents, officers, or representatives.

13.2 Binding Effect. This Agreement is binding upon and will inure to the benefit of the Parties and their respective successors and assigns.

13.3 Cooperation. The Parties agree to cooperate to the extent reasonably required to effect the purposes of this Agreement, including without limitation by negotiating, executing, and delivering any and all documents or instruments and taking any and all actions that may be necessary or appropriate to give full force and effect to the terms and conditions of this Agreement.

13.4 Dispute Resolution. In the event of a dispute or disagreement between the Parties arising from or relating to this Agreement, the Parties shall employ the dispute resolution procedures set forth in the MOU and any amendments thereto.

13.5 Jurisdiction and Venue. This Agreement shall be interpreted, construed, and enforced in accordance with the laws of the state of Washington. Venue for any action or proceeding under this Agreement shall be in King County, Washington.

13.6 Attorneys' Fees. In the event either Party brings an action or legal proceeding for an alleged breach of any provision of this Agreement or any representation, warranty, or covenant, or to enforce any of the rights of either Party hereunder, the prevailing shall be entitled to recover from the other party its reasonable attorneys' fees and costs (including without limitation expert fees and court costs), in addition to any other relief to which such party may be entitled

13.7 Notices. All notices and communications concerning this Agreement shall be given in the manner set forth in the MOU.

13.8 No Third-Party Beneficiary. This Agreement is made and entered into for the sole protection and benefit of the Parties hereto and their successors and assigns. No other person or entity shall have any right of action based upon any provision of this Agreement.

13.9 Relationship. Nothing in this Agreement may be deemed or construed by the Parties hereto, nor by any other party, as creating a relationship of principal and agent or of partnership or joint venture between the Parties.

13.10 Survival. The covenants, indemnities, representations and warranties set forth herein shall survive conveyance of the respective Exchange Properties.

13.11 Severability. If any provision of this Agreement shall be held invalid or unenforceable, such provision shall be modified to the extent necessary to make it valid and enforceable, and the validity and enforceability of all other provisions shall not be affected thereby.

13.12 No Waiver of Permitting Authority. Nothing set forth in this Agreement shall be deemed a waiver of the City's permitting authority or regulatory authority nor an approval of any specific project or development. Nothing in this Agreement shall be deemed a predetermination of compliance with applicable codes and regulations, nor otherwise limit or affects the City's exercise of its police power.

13.13 Memorandum of Agreement. This Agreement shall not be recorded. Prior to conveyance of the City Parcel, a memorandum of this Agreement in the form attached hereto as Exhibit J shall be recorded in the real property records of King County, Washington.

13.14 Counterparts; Electronic Signature. To facilitate execution, this Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, but all of which, when taken together, will constitute one and the same instrument. A Party's transmission by fax or other electronic means to the other Party of a copy of this Agreement, or of the signature page of this Agreement, bearing the Party's signature shall be effective as an acceptance of this Agreement, with the same effect as if a fully-executed original had been delivered.

IN WITNESS WHEREOF, each of the Parties has executed this Agreement by having its authorized representative affix his/her signature in the appropriate space below:

SOUND TRANSIT

CITY OF BELLEVUE

By: _____
Its: _____
Date: _____

By: Toni Call
Its: Finance & Asset Management Director
Date: _____

Authorized by Motion _____

Authorized by _____

Approved as to form:

Approved as to form:

By: _____, Legal Counsel

By: Monica Buck, Assistant City Attorney

Exhibits:

- A and A-1- Legal description and depiction of Frontage Parcel
- B and B-1- Legal description and depiction of City Parcel
- C – Depiction of TOD Parcels
- D – Depiction of Frontage Improvements
- E – Bargain and Sale Deed – Frontage Parcel
- F – Restrictive Covenant
- G - Bargain and Sale Deed – City Parcel
- H – City Parcel Permitted Exceptions
- I – Frontage Parcel Permitted Exceptions
- J- Memorandum of Agreement

Exhibit A

[To be inserted prior to conveyance]

Exhibit A-1 Frontage Parcel

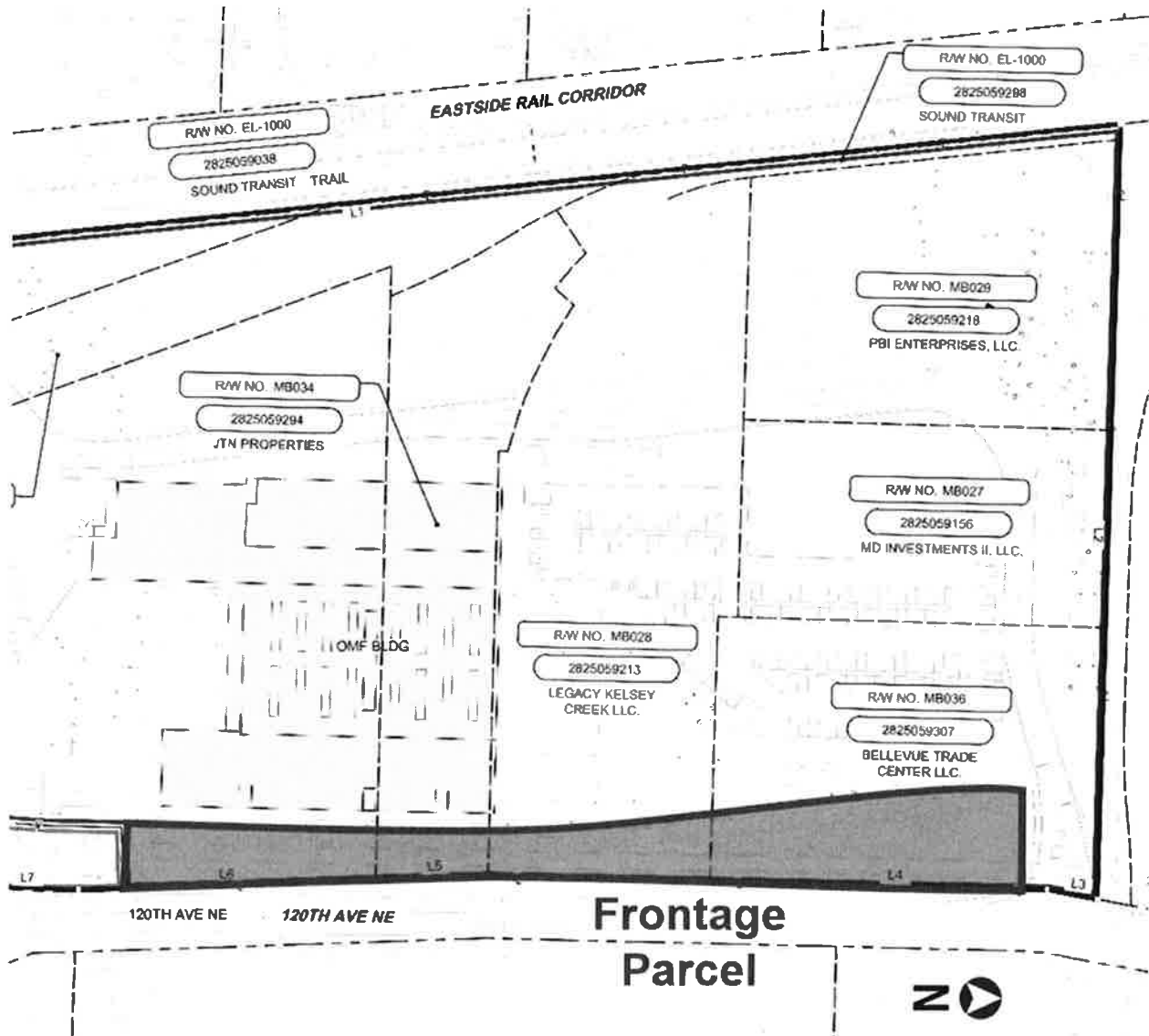


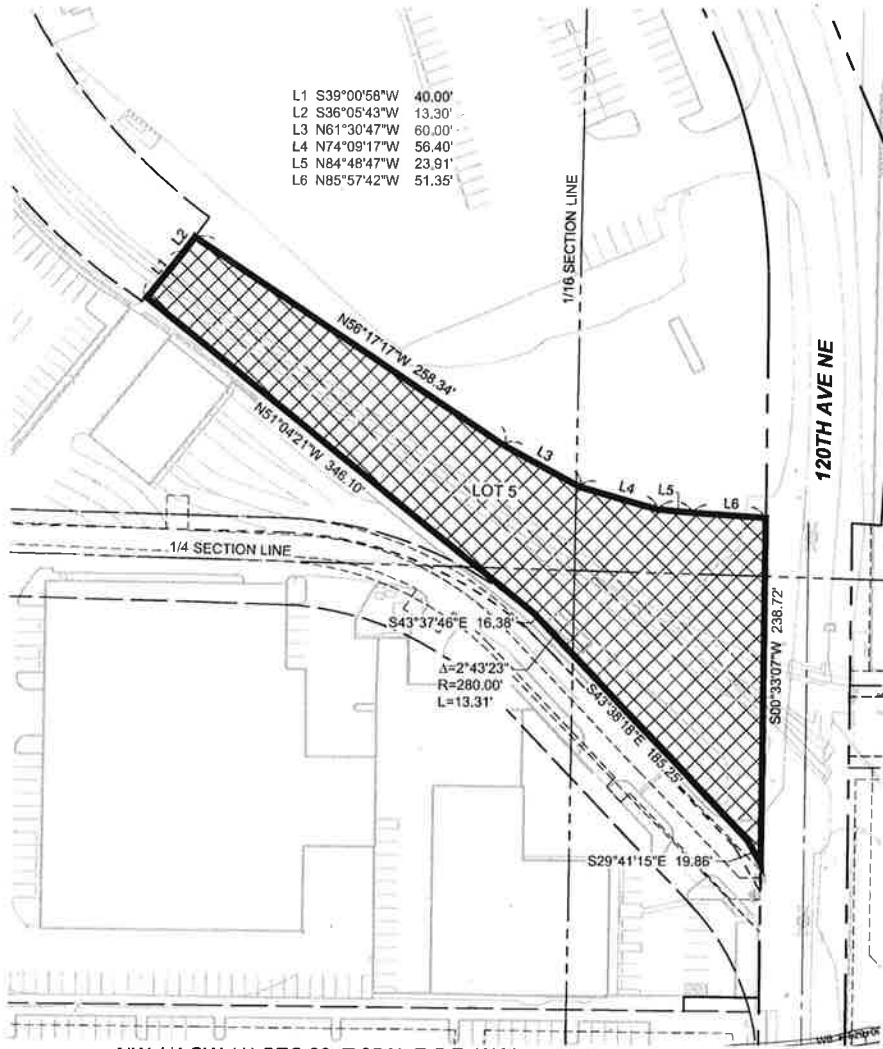
Exhibit B

LOT 5, CITY OF BELEVUE SHORT PLAT NUMBER LF-06-135856, RECORDED UNDER
RECORDING NUMBER 20070319900012, IN KING COUNTY, WASHINGTON.

SW 1/4 NW 1/4 SEC 28, T 25 N, R 5 E, W.M.

SE 1/4 NW 1/4 SEC 28,
T 25 N, R 5 E, W.M.

- L1 S39°00'58"W 40.00'
- L2 S36°05'43"W 13.30'
- L3 N61°30'47"W 60.00'
- L4 N74°09'17"W 56.40'
- L5 N84°48'47"W 23.91'
- L6 N85°57'42"W 51.35'



NW 1/4 SW 1/4 SEC 28, T 25 N, R 5 E, W.M.

NE 1/4 SW 1/4 SEC 28,
T 25 N, R 5 E, W.M.

LEGEND	
	LIGHT RAIL TRANSIT WAY
	STREET RIGHT-OF-WAY LINE
	STREET CENTER LINE
	PLATTED LOT LINE
	PROPERTY LINE
	PARENT PARCEL
	FEE TAKE LINE
	EASEMENT LINE PERMANENT
	EASEMENT LINE TEMPORARY



PARCEL AREA IS FROM THE KING COUNTY ASSESSOR RECORDS.

SOUNDTRANSIT

FINAL DESIGN PARTNERS

L & A LIN & ASSOCIATES

LINK LIGHT RAIL TRANSIT SYSTEM

EARL J. BONE
STATE OF WASHINGTON
REGISTERED
19429
PROFESSIONAL LAND SURVEYOR

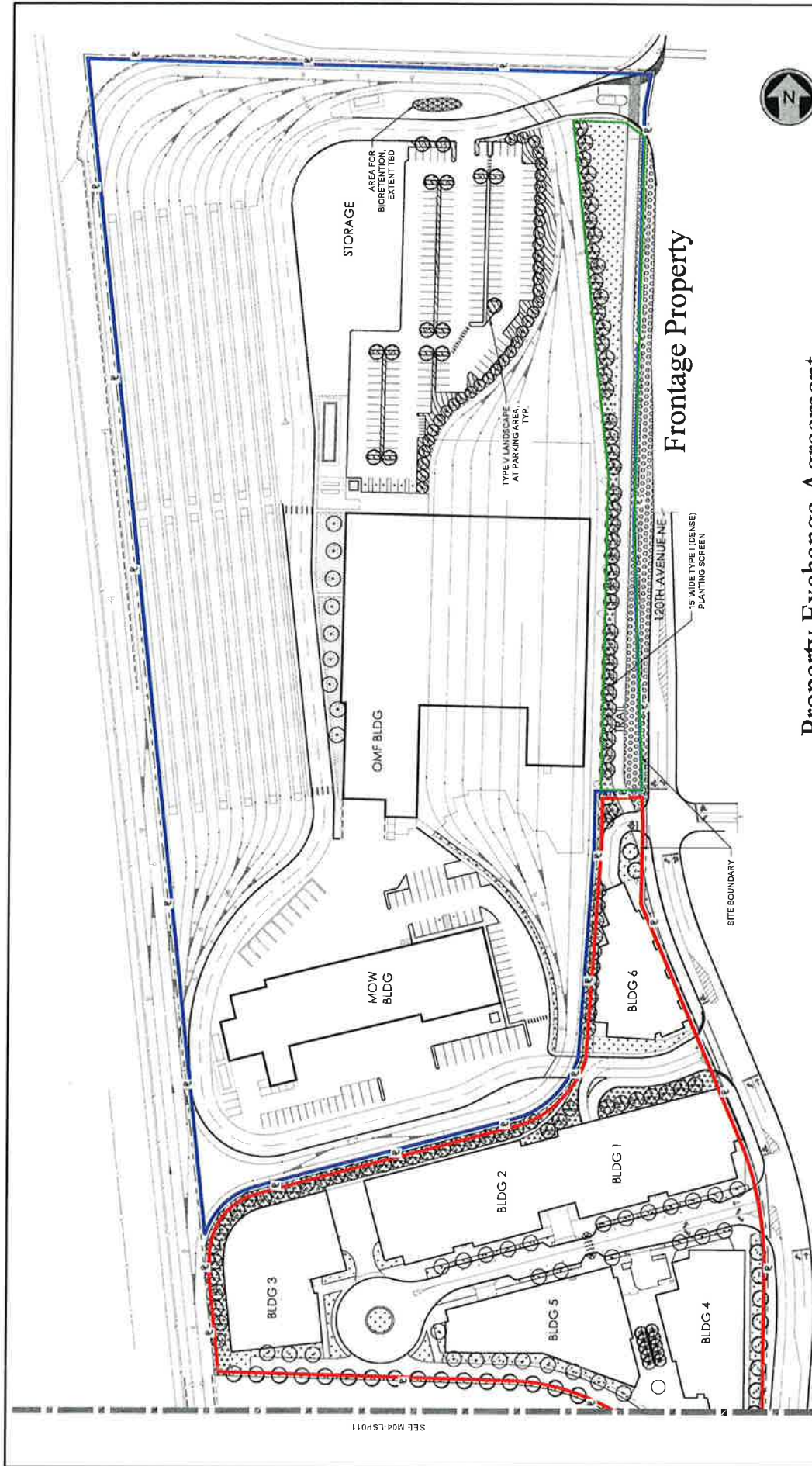
PARCEL AREA:	47,045 SF	STORM ESMT:	
FEE TAKE:	47,045 SF	CONST, ESMT:	
REMAINING AREA:	0 SF		

**PARCEL MAP
R/W NO. MB021**

ASSESSOR NO.:	1099100104	DATE:	11/10/15
OWNER:	CITY OF BELLEVUE		
BLOCK NO.:	N/A	LOT NO.:	5
CITY OF BELLEVUE		KING COUNTY, WA	



Exhibit C - Depiction of TOD Parcels



Property Exchange Agreement

EXHIBIT D - Frontage Improvements

DESIGNED BY	DATE	REVISED BY	DATE	REVISED BY	DATE	REVISED BY	DATE	REVISED BY	DATE
DRAWN BY		CHECKED BY		APPROVED BY					
<p>LINK OPERATIONS & MAINTENANCE FACILITY: EAST</p> <p>MDP APPLICATION</p> <p>PRELIMINARY LANDSCAPE PLAN</p> <p>OMF EAST SITE</p>									
<p>PROJECT NO. M04-LSP010</p> <p>LOCATION ID</p> <p>SHEET NO. 30</p>									

EXHIBIT E

WHEN RECORDED RETURN TO:

City of Bellevue
Finance and Asset Management
450 110th Ave. NE
P.O. Box 90012
Bellevue, WA 98009

CR# _____ DATE _____ LOC _____

BARGAIN AND SALE DEED

Grantor: **CENTRAL PUGET SOUND REGIONAL TRANSIT
AUTHORITY**

Grantee: **CITY OF BELLEVUE**

Abbreviated Legal Description:

Assessor's Tax Parcel No.:

CENTRAL PUGET SOUND REGIONAL TRANSIT AUTHORITY, a regional transit authority of the State of Washington ("Grantor"), for and in consideration of mutual benefits and other good and valuable consideration in hand paid, bargains, sells and conveys to **CITY OF BELLEVUE, a Washington municipal corporation** ("Grantee"), all interest in the real estate described on Exhibit A, situated in the County of King, State of Washington (the "Property"). Said deed contains _____ square feet, more or less.

This conveyance is in accordance with and subject to the terms and conditions set forth in the Property Exchange Agreement, dated _____.

SUBJECT TO: those matters set forth on Exhibit B attached hereto.

GRANTEE: City of Bellevue

By: Toni Call
Its: Finance and Asset Manager

Accepted and approved

By: Monica Buck, Assistant City Attorney

STATE OF WASHINGTON

}
} SS.
}

COUNTY OF KING

I certify that I know or have satisfactory evidence that **Toni Call** is the person(s) who appeared before me, and said person(s) acknowledged that she signed this instrument, on oath stated that she is authorized to execute the instrument and acknowledged it as the **Finance and Asset Manager Director** of the **CITY OF BELLEVUE** to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated: _____

Signature: _____

Notary Public in and for the State of Washington

Notary (print name): _____

Residing at: _____

My appointment expires: _____

Exhibit A to Bargain and Sale Deed

Legal Description of the Property

[To be inserted prior to conveyance]

Exhibit B to Bargain and Sale Deed

Permitted Title Exceptions

[To finalized prior to conveyance]

AFFORDABLE HOUSING COVENANT

THIS AFFORDABLE HOUSING COVENANT (this "Covenant") is entered into as of [] 20 [] by and between CITY OF BELLEVUE, a Washington municipal corporation ("City" or "Grantee") and CENTRAL PUGET SOUND REGIONAL TRANSIT AUTHORITY, a Washington regional transit authority ("Sound Transit" or "Grantor"), collectively referred to herein as the "Parties", with reference to the following facts:

RECITALS

A. The City owns certain real property located in the city of Bellevue, County of King, State of Washington, which consists of approximately 46,984 gross square feet or 1.08 acres, the legal description of which is attached hereto as EXHIBIT A (the "City Parcel").

B. The City and Sound Transit are parties to that certain Amended and Restated Umbrella Memorandum of Understanding for Intergovernmental Cooperation dated May 6, 2015 (the "MOU").

C. Pursuant to the MOU and that certain Property Exchange Agreement by and between Sound Transit and the City dated _____, the City is conveying to Sound Transit and Sound Transit is acquiring from the City the City Parcel. The City's agreement to convey the City Parcel to Sound Transit is conditioned upon the conveyance being subject to this Covenant for affordable housing as described herein. This Covenant is executed and recorded along with the Bargain and Sale Deed (the "Deed") of the same date conveying the City Parcel from the City to Sound Transit.

D. The City is transferring the City Parcel on the express condition that Sound Transit or a future owner ("Owner") develop and thereafter operate, lease and maintain affordable housing thereon pursuant to the terms and conditions set forth in this Covenant. It is the purpose of this Covenant to impose certain enforceable restrictions on the use and occupancy of the City Parcel. As a condition to and as consideration for the conveyance of the City Parcel, these restrictions are required for the benefit of the City.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants and undertakings set forth herein, and other good and valuable consideration, including public benefit, the Parties agree as follows:

1. City Parcel to be Used for Affordable Housing. The City Parcel, or an alternate parcel acceptable to the City as described in the Property Exchange Agreement, shall be used for the development, construction, use and operation of an affordable housing project (the "Affordable Housing Development") that meets the following minimum criteria:
 - a. No fewer than 80 units shall be set-aside for residents satisfying the criteria in subparagraphs b-d below.

- b. At least 15% of the total units in the Affordable Housing Development shall be 2 bedroom units and at least 10% of the total units in the Affordable Housing Development shall be units with 3 bedrooms.
 - c. The units in the Affordable Housing Development shall be exclusively for lease to residents whose Household Annual Income (based on family size) at the time of initial occupancy does not exceed 60% of Area Median Income (“Income Eligible Occupants”). For purposes of this Covenant, the definition and calculation of “Income Eligible Occupants,” “Household Annual Income” and “Area Median Income” shall be determined by using the King County median income, adjusted for family income, which is estimated annually by the Department of Housing and Urban Development (HUD). If, at any point in the future, HUD no longer estimates the King County median income, the Parties shall agree on a comparable figure reported by a local, state, or federal agency to be used instead.
 - d. The units in the Affordable Housing Development shall be rent restricted such that the monthly housing expense, including utilities or an applicable Utility Allowance (such as those calculated by King County Housing Authority, the Washington State Housing Finance Commission or other applicable source), and other expenses required by the owner as a condition of tenancy is no greater than thirty percent (30%) of the monthly income for households earning sixty percent (60%) of King County Median Income, adjusted for household size.
2. Ground Floor Retail Permitted. Ground floor space may be used for non-residential purposes, including retail and commercial uses as required by the permitting jurisdiction.
 3. Operation of the Affordable Housing Development. The operator of the Affordable Housing Development shall operate and maintain such development in good condition and repair and in compliance with all requirements of law.
 4. Term. This Covenant shall take effect upon recording in the real property records of King County, Washington and shall remain in effect until the date which is 50 years after the date a Certificate of Occupancy is issued by the City for the Affordable Housing Development.
 5. Covenant to Run with the Land. This Covenant shall be recorded in first priority position in the real property records of King County, State of Washington, prior to the lien of any mortgage, deed of trust, other encumbrance or any other monetary lien, and shall be a covenant running with the land. This Covenant shall be binding on Grantor and any subsequent purchaser, mortgagee, lender, lessee, or any other person having any right, title or interest in the City Parcel, so long as this Covenant shall remain in effect. This Covenant shall not be subordinated to the lien of any mortgage, deed of trust, other encumbrance or any other monetary lien on any interest in the City Parcel, and shall survive any foreclosure of any monetary lien. At the sole option of the City, the City may release this Covenant if it determines that a substantially equivalent affordable housing covenant running with the land is recorded on the real property records by the City or another entity in a form

acceptable to the City. Such release may be executed by the City Manager, or his or her designee, without need for approval of the City Council.

6. Monitoring, Enforcement of Terms.

After a Certificate of Occupancy is issued by the City for the Affordable Housing Development, the Grantor or Owner will make annual certifications to the City that it is in compliance with this Covenant. Such certifications shall be submitted by June 30 of each year in a form specified by the City, with such accompanying documentation as the City may request.

The benefits of this Covenant shall inure to and may be enforced by the City. This Covenant is not intended, and shall not be construed, to create a duty or obligation of the City to enforce any term or provision of the Covenant at the request of or for the benefit of any person, and no former, present, or prospective resident or any other person, firm, governmental entity, organization, or entity shall have a cause of action hereunder.

7. Defaults; Remedies. Failure to perform any provision of this Covenant shall constitute a default by Sound Transit (or, if applicable, its successors and assigns), if the failure to perform is not cured within 30 days after written notice of such default has been given by the City. If the default cannot reasonably be cured within 30 days after notice, then Sound Transit (or, if applicable, its successors and assigns) shall not be in default if it commences to cure the default within such 30 day period and thereafter diligently prosecutes such cure to completion. The City shall be entitled to all remedies in law or equity, including without limitation the right to compel specific performance or restrain by injunction the actual or threatened commission or attempt of a breach of this Covenant and to obtain a judgment or order specifically prohibiting a violation or breach of this Covenant. Grantor shall be responsible for the payment of attorneys fees incurred by the City for the enforcement of this Covenant, provided, however, that Sound Transit shall not be responsible for enforcing this Covenant or paying the City's attorneys fees for an enforcement action after Sound Transit has conveyed the City Parcel, subject to this Covenant, to an Owner for the development and operation of the Affordable Housing Development.
8. Delay. No delay in enforcing the provisions of this Covenant as to any breach or violation shall impair, delay or waive the right of the City to enforce the same or obtain relief against or recover the continuation or repetition of such breach or violation or any other breach or violation thereof at any later time or times.
9. Severability. If any provision of this Covenant shall be found to be invalid, illegal, or unenforceable, the validity, legality, or enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.
10. Amendments. This Covenant shall be amended only by a written instrument executed by the Parties hereto or their respective successors in title, and duly recorded in the real property records of King County, Washington.

11. Governing Law; Jurisdiction. This Covenant shall be governed by the laws of the State of Washington, and jurisdiction of any action concerning this Covenant shall lie exclusively in King County Superior Court.
12. No Conflict with Other Documents. The Parties agree they have not executed and will not execute any other agreements with provisions contradictory to or in opposition to the provisions contained in this Covenant and that in any event the requirements of this Covenant are paramount and controlling as to the rights and obligations set forth herein and supersede any other requirements in conflict herewith.
13. Fair Construction. The provisions of this Covenant shall be construed as a whole according to their common meaning not strictly for or against any Party and consistent with the provisions contained herein in order to achieve the objectives and purposes of this Covenant. Each Party hereto has reviewed and revised this Covenant with the assistance of its legal counsel.
14. Successors and Assigns. This Covenant shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.
15. Counterparts. This Covenant may be executed in counterparts and each such counterpart shall for all purposes be deemed to be an original and together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused this Covenant to be signed by their respective duly authorized representatives, as of the day and year first written above.

CITY OF BELLEVUE:

By: _____

Name: Toni Call

Its: Director of Finance & Asset Management

Approved as to form:

Monica Buck, Assistant City Attorney

CENTRAL PUGET SOUND REGIONAL TRANSIT AUTHORITY:

By: _____

Name: _____

Its: _____

Approved as to form:

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Toni Call is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the Director of Finance & Asset Management of the City of Bellevue, a Washington municipal corporation , to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____



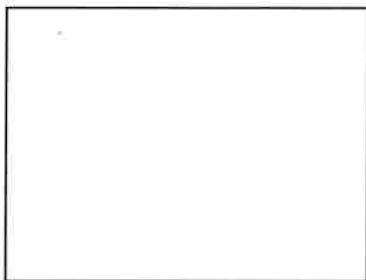
(Use this space for notarial stamp/seal)

Notary Public
Print Name _____
My commission expires _____

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that s/he signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the _____ of Central Puget Sound Regional Transit Authority, a Washington regional transit authority, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____



(Use this space for notarial stamp/seal)

Notary Public
Print Name _____
My commission expires _____

EXHIBIT A

Legal Description of the City Parcel

LOT 5, CITY OF BELEVUE SHORT PLAT NUMBER LF-06-135856, RECORDED UNDER RECORDING NUMBER 20070319900012, IN KING COUNTY, WASHINGTON.

EXHIBIT G

WHEN RECORDED RETURN TO:

Sound Transit
Real Property Division
401 S. Jackson Street, M/S o4N-4
Seattle, WA 98104-2826

CR# _____ DATE _____ LOC _____

BARGAIN AND SALE DEED AND REVERSIONARY INTEREST AND COVENANT

Grantor: **CITY OF BELLEVUE**

Grantee: **CENTRAL PUGET SOUND REGIONAL TRANSIT
AUTHORITY**

Abbreviated Legal Description: **Lot 5, City of Bellevue Short Plat No. LF-06-135856,
AFN 20070319900012**

Assessor's Tax Parcel No.: **1099100104**

ROW No(s): **MB021**

CITY OF BELLEVUE, a Washington municipal corporation ("Grantor"), for and in consideration of mutual benefits and other good and valuable consideration in hand paid, bargains, sells and conveys to **CENTRAL PUGET SOUND REGIONAL TRANSIT AUTHORITY, a regional transit authority of the State of Washington** ("Grantee"), all interest in the real estate described on Exhibit A, situated in the County of King, State of Washington (the "Property") . Said deed contains _____ square feet, more or less.

Grantor is conveying the Property in connection with Grantee's construction and operation of the Link light rail system called the East Link Extension ("the Project").

The Property is conveyed subject to:

- a. Permitted Exceptions. The Permitted Exceptions set forth on Exhibit B attached hereto and incorporated herein by this reference.
- b. Grantor's Reversionary Interest. The Grantor's reversionary interest in the Property described in Section 4.1 of the Property Exchange Agreement, dated _____ between the Grantor and Grantee.

ROW #: MB021

GRANTEE: Central Puget Sound Regional Transit Authority

By: _____

Its: _____

Approved as to Form

By: _____
Sound Transit Legal Counsel

STATE OF WASHINGTON }
 } SS.
COUNTY OF KING }

I certify that I know or have satisfactory evidence that _____
_____ is the person who appeared before me, and said person
acknowledged that (he/she) signed this instrument, on oath stated that (he is/she is)
authorized to execute the instrument and acknowledged it as the _____
_____ of **CENTRAL PUGET SOUND REGIONAL
TRANSIT AUTHORITY** to be the free and voluntary act of such party for the uses and
purposes mentioned in this instrument.

Dated: _____

Signature: _____

Notary Public in and for the State of Washington

Notary (print name): _____

Residing at: _____

My appointment expires: _____

Exhibit A to Bargain and Sale Deed

Legal Description of the Property

LOT 5, CITY OF BELEVUE SHORT PLAT NUMBER LF-06-135856, RECORDED UNDER RECORDING NUMBER 20070319900012, IN KING COUNTY, WASHINGTON.

Exhibit B to Bargain and Sale Deed

Permitted Title Exceptions

[To finalize prior to conveyance]

Exhibit H

* to be finalized prior to conveyance.

PERMITTED EXCEPTIONS:

1. Covenants, Conditions and Restrictions as set forth on City of Bellevue Short Plat No. LF-06-135856, recorded under King County Recording No. 20070319900012;
2. Agreement regarding conditions to building permit recorded October 6, 1986 under King County Recording No. 8610060526;
3. Declaration of Covenant recorded March 9, 2007 under King County Recording No. 20070309001777;
4. Declaration of Covenant recorded March 9, 2007 under King County Recording No. 20070309001778;
5. Short Plat Agreement recorded May 1, 2007 under King County Recording No. 20070501001186 and First Amendment to Short Plat Agreement recorded 20120911001095;
6. Matters contained in the Storm Drainage Operations & Maintenance Schedule recorded November 21, 2007 under King County Recording No. 20071121000038;
7. Covenants, Conditions and Restrictions recorded September 16, 2009 under King County Recording No. 20090916001434;
8. Unrecorded spur track use easements or agreements disclosed by short plat recorded under King County Recording No. 20070319900012 and warranty deed under King County Recording No. 20090916001433.
9. Deed of Dedication for slopes recorded May 8, 1967 under King County Recording No. 6367823.
10. Easement for Electric Transmission and/or Distribution System recorded February 25, 2016 under King County Recording No. 20160225000702;
11. Easement for Temporary Reciprocal Tieback and Crane Boom recorded November 1, 2016 under King County Recording No. 20161101001689 and (released/re-recorded to correct legal description) under King County Recording No. _____;
12. Temporary Construction Easement recorded October 25, 2017 under King County Recording No. 20171025000555 and extension of Temporary Construction Easement under King County Recording No. 20180620000167.
13. Right of Entry Agreement recorded October 25, 2017 under King County Recording No. 20171025000556

14. Affordable Housing Covenant recorded _____, 201__ under King County Recording No. _____;
15. Memorandum of Agreement recorded _____, 201__ under King County Recording No. _____;
16. Any rights, interest, or claims which may exist or arise by reason of the following facts shown on the ALTA/ACSM Land Title Survey dated _____, prepared by Lin & Associates, as Job Number 1203:
 - A. Encroachment of driveway along the southwesterly property line.

Exhibit I

* to be finalized prior to conveyance.

PERMITTED EXCEPTIONS:

1. Utility Easement Agreement by and between Central Puget Sound Regional Transit Authority and King County Wastewater Treatment Division recorded on _____ under King County Recording Number _____.
2. Stormwater Drainage Easement recorded on _____ under King County Recording Number _____.
3. Perimeter Fence Maintenance Easement recorded on _____ under King County Recording Number _____.
4. Utility Easement Agreement(s) for utility service to OMF East facility recorded on _____ under King County Recording Number _____.
5. Fire Separation Clearance Easement recorded on _____ under King County Recording Number _____.
6. Electrical Transmission System Easement recorded on April 28, 1927 under King County Recording Number 2342847.
7. Underground Electric System Easement recorded on March 15, 1961 under King County Recording Number 6150216.
8. Covenants, Conditions, Restrictions, Easements, Notes, Dedications and Setbacks, If Any, Set Forth in or Delineated on the Survey Recorded Under Recording Number 7602030461.
9. Covenants, Conditions, Restrictions, Easements, Notes, Dedications and Setbacks, If Any, Set Forth in or Delineated on the Survey Recorded Under Recording Number 8003129006.
10. Agreement Between Willamette Industries, Inc. and City of Bellevue Recorded April 23, 1980 Under Recording Number 8004230614.
11. Agreement Between Willamette Industries, Inc. and City of Bellevue Recorded February 12, 1999 Under Recording Number 9902120563.
12. Sewer Easement recorded on September 20, 1964 under King County Recording Number 5792734.
13. Sewer Pipe Easement recorded on July 15, 1965 under King County Recording Number 5903146.
14. Underground Utility Easement recorded on March 19, 1981 under King County Recording Number 8103190551.
15. Water Pipeline Easement recorded on November 6, 1981 under King County Recording Number 8111060691.

16. Covenants, conditions, restrictions, recitals, reservations, easements, easement provisions, dedications, building setback lines, notes, statements, and other matters, if any, but omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as set forth on Boundary Line Adjustment recorded under King County Recording Number 20020624900006.
17. Terms and conditions of notice of charges of water, sewer, and/or storm and surface water utilities, recorded under King County Recording Number 9612200938.
18. Right to make necessary slopes for cuts and fills recorded on June 25, 1968 under King County Recording Number 6367822.
19. Sanitary Sewer Easement recorded on January 26, 1996 under King County Recording Number 9601260227.
20. Covenants, conditions, restrictions, recitals, reservations, easements, easement provisions, dedications, building setback lines, notes, statements, and other matters, if any, but omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as set forth on short plat recorded under King County Recording Number 8510119003.
21. Covenants, conditions, restrictions, recitals, reservations, easements, easement provisions, dedications, building setback lines, notes, statements, and other matters, if any, but omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as set forth on Lot Line Adjustment recorded under King County Recording Number 9208209001.
22. Right to make necessary slopes for cuts and fills recorded under King County Recording Number 6367812.
23. Water Pipeline Easement recorded on December 6, 1990 under King County Recording Number 9012060475.
24. Sewer Pipeline Easement recorded on December 6, 1990 under King County Recording Number 90121060485.
25. Matters disclosed in survey recorded under King County Recording Number 20161031900008.
26. Memorandum of Agreement recorded _____, 201__ under King County Recording No. _____;

Exhibit J

When Recorded, Return To:

City of Bellevue
Real Property Division
450 110th Avenue NE
Bellevue, WA 98004

CR# _____ **DATE** _____ **LOC** _____

Title of Document: **Memorandum of Agreement**

Grantor: **City of Bellevue**

Grantee: **Central Puget Sound Regional Transit Authority**

Abbreviated Legal

Description: **PTN NW and SW 28-25N-05E**

Full Legal Description on Exhibits A and B

Tax Account Nos: **109910-0104, 282505-9307, 282505-9213, 282505-9294, 282505-9182**

ROW No(s): **MB021**

Memorandum of Property Exchange Agreement

1. Agreement. Grantor and Grantee entered into that certain Property Exchange Agreement dated _____ (the "**Agreement**"), concerning real property owned by the Grantor (the "**Grantor Property**"), as legally described on Exhibit A, and real property owned by the Grantee (the "**Grantee Property**") as legally described on Exhibit B, all located in King County, Washington. Under the Agreement, whose terms and conditions are incorporated herein by this reference, Grantee has the right to acquire the Grantor Property from Grantor and the Grantor has the right to acquire a portion of the Grantee Property, upon the respective satisfaction of certain conditions set forth in the Agreement.
2. Purpose. This Memorandum is prepared for the purposes of recordation and to provide constructive notice of the Agreement, and it in no way modifies or amends the terms and conditions of the Agreement. Provisions of this Memorandum should not be used in interpreting the provisions of the Agreement. In the event of conflict between this Memorandum and the Agreement, the Agreement shall control.

EXECUTED as of _____.

Grantor: **City of Bellevue**

By: _____

Name: Toni Call

Title: Finance and Asset Management Director

Accepted and Approved:

By: _____

Name: Monica Buck

Title: Assistant City Attorney

EXHIBIT A

GRANTOR PROPERTY LEGAL DESCRIPTION

LOT 5, CITY OF BELEVUE SHORT PLAT NUMBER LF-06-135856, RECORDED UNDER RECORDING NUMBER 20070319900012, IN KING COUNTY, WASHINGTON.

EXHIBIT B

GRANTEE PROPERTY LEGAL DESCRIPTION

[To be inserted prior to conveyance]