

HISTORIC PRESERVATION SPECIAL VALUATION COVENANT

This Historic Preservation Covenant is entered into by and between Western United Life Assurance Company (hereinafter referred to as APPLICANT) and the City of Spokane, a municipal corporation of the State of Washington and the County of Spokane both acting through the Historic Landmarks Commission (hereinafter referred to as LOCAL REVIEW BOARD).

WHEREAS APPLICANT is the owner of record of the building or buildings commonly known as The Met Theatre, located at W. 901 Sprague Avenue, Spokane, State of Washington, as more fully described in Exhibit "A", attached hereto and incorporated herein by this reference (hereinafter referred to as PROPERTY); and

WHEREAS APPLICANT has requested special valuation of the PROPERTY pursuant to Section 12, Chapter 449, Laws of 1985; and

WHEREAS the LOCAL REVIEW BOARD has determined that the PROPERTY has been substantially rehabilitated within the two year period preceding the date of application and the actual cost of said rehabilitation equals or exceeds twenty-five percent of the Assessed Valuation of the PROPERTY prior to the improvements; and

WHEREAS the LOCAL REVIEW BOARD has verified that the PROPERTY is historic property that falls within a class of properties determined eligible for special valuation by local ordinance or administrative rule; and

WHEREAS the LOCAL REVIEW BOARD finds that the rehabilitation work has not altered the PROPERTY in any way which adversely affects those elements which qualify is as historically significant;

NOW THEREFORE, in recognition of the foregoing, the APPLICANT enters into this Covenant with the LOCAL REVIEW BOARD and agrees to adhere to the following terms and conditions:

1. APPLICANT agrees to comply with the Washington State Advisory Council's Standards for the Maintenance and Rehabilitation of Historic Properties as set forth in Exhibit "B", which is attached hereto and by this reference incorporated herein.

2. Without the express written permission of the LOCAL REVIEW BOARD signed by a duly authorized representative thereof, no construction, alteration or remodeling or any other action shall be undertaken or permitted to be undertaken which would affect the appearance of the PROPERTY as depicted in the photographs attached hereto and incorporated herein by this reference as Exhibits "C-1" through "C-8", or which would adversely affect the structural soundness of the PROPERTY;

THIS TO CERTIFY THIS IS A TRUE AND CORRECT COPY OF THE ORIGINAL DOCUMENT NO. 90-1417 ON FILE IN THE COUNTY COMMISSIONERS MINUTES OF 1113190 DATED THIS 13 DAY OF DEC 19 90 BY: [Signature] CLERK OF THE BOARD

provided, however, that the reconstruction, repair, repainting, or refinishing of presently existing parts or elements of the PROPERTY subject to this Covenant, damage to which has resulted from casualty loss, deterioration or wear and tear, shall be permitted without the prior approval of the LOCAL REVIEW BOARD, provided that such reconstruction, repair, repainting, or refinishing is performed in a manner which will not alter the appearance of those elements of the PROPERTY subject to this Covenant as they are as of this date. Exterior changes which shall require the consent of the LOCAL REVIEW BOARD shall include, but not be limited to, any substantial structural change or any change in design, color or materials. The existing theater marquee, being an appurtenance to the building, shall be exempt provided that any changes are limited to style, lighting and decoration of the existing marquee structure.

3. In the case of an application for a "Certificate of Appropriateness" for the demolition of a landmark or property within a district, the Owner(s) agrees to meet with the Commission to seek alternatives to demolition. These negotiations may last no longer than forty-five (45) days. If no alternative is found within that time, the Commission may take up to forty-five (45) additional days to attempt to develop alternatives, arrange the salvage or architectural artifacts and structural recording.

4. If the PROPERTY is not visible from a public right of way the APPLICANT shall make historic aspects of the PROPERTY accessible to the public one day each year.

5. The APPLICANT shall monitor the PROPERTY for its continued qualification for special valuation and notify the appropriate County Assessor within thirty (30) days if the PROPERTY becomes disqualified because of:

- a. a loss of historic integrity,
- b. sale or transfer to new ownership exempt from taxation, or
- c. sale or transfer to new ownership which does not intend to agree to the terms of this Covenant nor file a notice of compliance form with the County Assessor.

6. The APPLICANT and LOCAL REVIEW BOARD both agree that there shall be no changes in standards of maintenance, public access, alteration, or report requirements, or any other provisions of this Covenant, during the period of the classification without the approval of all parties to this Covenant. If the APPLICANT feels that the LOCAL REVIEW BOARD has unjustly denied any proposed change to the provisions of this

Covenant, (i.e. change of interior design and/or use). Said APPLICANT shall have the right to arbitration.

Term of the Agreement. This Covenant shall take effect immediately upon signature and remain in effect until the property is no longer eligible for special valuation either through disqualification or upon expiration of the ten-year period of special valuation commencing January 1, 1989, and ending December 31, 1999.

Hold Harmless. The APPLICANT or its successors or assigns shall hold the State, the County, the City and the LOCAL REVIEW BOARD harmless from any and all loss, liability and claim which may be asserted against the State, the County, the City or the LOCAL REVIEW BOARD as result of this Historic Preservation Special Valuation Covenant or the participation by the APPLICANT in the Special Valuation Program.

Governing Law. The terms of this Covenant shall be construed in accordance with the laws of the State of Washington.

*Signed by City
October 23, 1990.*

CITY OF SPOKANE

Attest: Elizabeth Davidson
Deputy City Clerk

Temple Novak
City Manager

Approved as to form:

Amley Stewart
Assistant City Attorney

BOARD OF COUNTY COMMISSIONERS


Attest: Patricia A. Munnery
Clerk of the Board

John R. M. Lewis

APPLICANT: WESTERN UNITED
LIFE ASSURANCE COMPANY

BY: [Signature]
Its: Vice President

Approved:



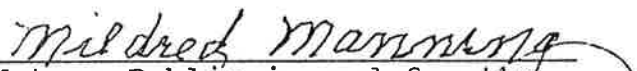
Chairman, Historic Landmarks
Commission

STATE OF WASHINGTON)
) ss.
County of Spokane)

On this 9th day of August, 1989, before me the undersigned Notary Public in and for the State of Washington duly commissioned and sworn, personally appeared C. Paul Sandifur, Jr. to me known to be the Vice President respectively of Western United Life Assurance Company, the APPLICANT, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, on oath stated that he is authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year in this certificate first above written.





Notary Public in and for the
State of Washington, residing
at Spokane