BEFORE THE HEARING EXAMINER
CITY OF SEATTLE

In re Proposed Final Assessment Roll for Local Improvement District No. 6751 ("Waterfront LID")	Case Nos. CWF-0425, 0426, 0427, 0440, AND 0441 **DECLARATION OF ED LEIGH**

I, Ed Leigh, declare as follows:

1. I have personal knowledge of the facts stated below and am competent to testify regarding the same.

2. I am the Vice President of Investments for Equity Residential. I testified in this appeal as to my position, qualifications and employment history.

3. Eqr-Harbor Steps LLC is owned by Equity Residential. Eqr-Harbor Steps LLC owns a four-tower apartment complex encompassing parcel nos. 1976200070, 1976200075, 1976200076, and 7666202465. These parcels are located at 1306 Western Ave., 1301 1st Ave., 1201 1st Ave., and 1212 Western Ave., Seattle WA, and are the subject

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of case nos. CWF-0425, -0426, -0427, -0440. These properties are known as the "Harbor Steps" apartment towers.

4. Eqr-Second & Pine LLC is also owned by Equity Residential, and owns real property parcel no. 7683890010, which is located at 206 Pine St., Seattle WA, and is the subject of case no. CWF-0441. This property is known as the Helios apartments.

5. Equity Residential appealed the City's proposed final assessment for Waterfront LID No. 6751 for each of the properties described above.

HARBOR STEPS (CWF-0425, -0426, -0427, -0440)

6. The Harbor Steps are multifamily residential apartment buildings with ground floor retail. Additionally, the Harbor Steps are on a pedestrian corridor connecting the downtown retail core to the waterfront amenities.

HELIOS (CWF-0441)

7. Helios is a multifamily residential apartment building located a block east of Pike Place Market, and approximately two blocks from the proposed overlook walk.

COVID-19 Calculations

8. After we appealed our assessments, the Covid-19 pandemic broke out, causing significant disruptions in Seattle and around the world. Based on our current rents, compared with Brian O'Connor's appraisal calculations to support our appeals, our properties have decreased in value in the range consistent with those described by John Gordon. In Mr. Gordon's April 21, 2020 Declaration, he noted that property values for hotels in Downtown Seattle would be at least 10% to 15% lower when compared with the values as of October 2019 and January 2020. The same is true for our properties. The year-over-year rent reductions that I have observed in our Downtown Seattle assets are consistent with Mr. Gordon's valuation reduction, assuming that rents do not quickly rebound. We

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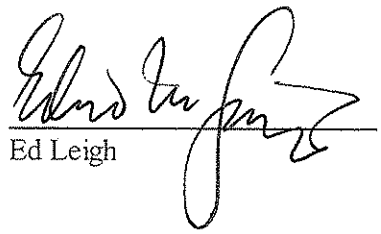
have not marked-to-market with these assets yet, as this is an end-of-year process for us, but the 12.5% average Covid-19 discount is our best generic estimate at this time, based on the information available to us.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Signed at Seattle, Washington, on September 21, 2020.



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