Please return to: K&L Gates LLP 925 Fourth Avenue, Suite 2900 Seattle, WA 98104 Attn: Denise L. Stiffarm 200911230077 Skagit County Auditor 11/23/2009 Page 1 of 711:24AM

CHICAGO TITLE CO.

ACCOMMODATION RECORDING

Name of Document:

RESTRICTIVE COVENANT

Grantor:

HEATHER VILLAGE A CHRISTIAN RETIREMENT

COMMUNITY, A WASHINGTON NONPROFIT

CORPORATION

Grantee:

MOUNT VERNON SCHOOL DISTRICT NO. 320

Legal Description:

Abbreviated form:

Tract A of Mount Vernon Short Plat No. MV-3-88, together with Lot 2, Mount Vernon Short Plat No. MV-2-93, and together with that portion of the SE ½ of the NW ¼ of

Section 30, Township 34 N, Range 4 E, W.M.

Situate in the City of Mount Vernon, County of Skagit, State

of Washington.

Additional legal description on Exhibit A of Restrictive Covenant.

Assessor's Property Tax Parcel Account Number(s):

Chicago Title Company has placed this document for recording as a customer courtesy and accepts no liability for its accuracy or validity

P29000

Reference number(s) of related/assigned/released/document(s):

9906080063

Reference(s) to document(s) appears on page(s) 1 of document

RESTRICTIVE COVENANT

This Declaration of Restrictive Covenant ("Covenant") is dated as of 2009, by HEATHER VILLAGE A CHRISTIAN RETIREMENT COMMUNITY, A WASHINGTON NON PROFIT CORPORATION (the "Owner").

1. Definitions

- 1.1 Adult. The term "Adult" shall mean a person who is 62 years of age or older, residing in a Unit.
- 1.2 <u>Dwelling Unit</u>. The term "Dwelling Unit" shall mean any dwelling unit to be located in the Project or on the Property to be occupied by an Adult.
- 1.3 Owners. The term "Owner" shall mean the record holder of legal title to the fee simple interest in any lot or parcel that is part of the Property, including contract purchasers but excluding others who hold such title merely as security. An Owner shall include any person who holds record title to a lot or parcel or joint ownership with any other person or holds undivided fee interest in any lot or parcel.
- 1.4 <u>Project</u>. The term "Project" shall mean the residential development consisting of six (6) retirement units commonly know as Heather Village located on the Property and within the City of Mount Vernon. The Project is a component of the larger Heather Village project subject to a restrictive covenant recorded under Skagit County Recording Number 9906080063.
- 1.5 <u>Property</u>. The term "Property" shall mean the real property legally described on Exhibit A.
- 1.6 Qualified Permanent Resident. The term "Qualified Permanent Resident" shall mean a person residing in a Dwelling Unit and who is eighteen (18) years of age or older.

2. Restrictive Covenants

- 2.1 <u>Use of Project</u>. The Project is intended to be and shall be operated as a senior retirement community.
- 2.2 <u>Residents of Dwelling Units</u>. No person may be a resident of any Dwelling Unit or the Property, except as expressly authorized by this Article 2. A person shall be deemed to reside in a Dwelling Unit on any day that the person remains overnight or sleeps at the Dwelling Unit.

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- 2.2.1 <u>Adult Residency Requirement</u>. Except as expressly authorized in Sections 2.2.2 and 2.2.3 below, the residents of any Dwelling Unit of the Project will be restricted solely to Adults, or the spouse of a resident Adult.
- 2.2.2. Qualified Permanent Resident May Reside with Adult. A Qualified Permanent Resident may stay overnight to render living assistance necessary because of a medical condition, as directed by the resident's physician.
- 2.2.3 <u>Temporary Guests</u>. Visits by nonresidents who are less than sixty-two (62) years of age as guests of the residents shall not exceed thirty (30) nights in any six (6) month period, except in the case of a Qualified Permanent Resident.
- 2.3 <u>Conveyances of a Possessory Interest</u>. Unless a school impact fee has been paid in accordance with Article 3 hereof, notwithstanding any sale of, lease of, grant of a life estate in, other conveyance of any possessory interest in, or offer to make such conveyance of, an interest in any Dwelling Unit or in all or part of the Project or Property, the Project shall continue to comply with the restrictions set forth in this Article 2.
- 2.4 Occupancy Agreements. Any occupancy agreement for a Unit will only be entered into with a person or persons who meet the criteria set forth in this Article 2.

3. School Impact Fee

- 3.1 <u>School Impact Fee</u>. A school impact fee shall be paid in the manner and the amount specified by the City of Mount Vernon school impact fee ordinance in effect at the time the interest in any Dwelling Unit or in all or part of the Property is conveyed to any person not complying with the restrictions set forth in Article 2 above or any Dwelling Unit or the Property is occupied by any person not meeting the criteria set forth in Article 2 above.
- 3.2 <u>Timing of Payment of Impact Fee.</u> Such school impact fee shall be paid to the Mount Vernon School District within thirty (30) days of receipt of the evidence described in Article 4 below. In the event that such school impact fee is not paid within the time specified in this Section 3.2, interest shall accrue on the amount of such school impact fee at a rate of nine percent (9%) per annum.

4. Reporting Requirements

Whenever there is any sale of, lease of, grant of a life estate in, or other conveyance of a possessory interest in, or offer to make such conveyance of, an interest in any Dwelling Unit or in all or part of the Project or Property, the Owners of any Dwelling Unit or all or

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part of the Project or Property shall furnish to the City of Mount Vernon and the Mount Vernon School District No. 320 a copy of the new resident's birth certificate, marriage certificate, or other reliable documentary evidence demonstrating that the new resident meets the criteria set forth in Section 2.

5. Miscellaneous.

- 5.1 Covenant Running With the Land. This Covenant shall be deemed to be a covenant running with the land.
- 5.2 <u>Binding Effect</u>. This Covenant shall apply to, inure to the benefit of, and be binding upon, the Owners and its legal representatives, successors and permitted assigns.
- 5.3 <u>Captions.</u> The captions inserted in this Covenant are for convenience only, they in no way define, limit or otherwise describe the scope or intent of this Covenant, and shall not be used to interpret or construe this Covenant.
- 5.4 Governing Law. This Covenant shall be governed by the laws of the State of Washington.
- 5.5 <u>Venue</u>. If an action must be brought to enforce the terms of this Covenant, such action shall be brought in Superior Court in Skagit County, Washington.

IN WITNESS WHEREOF, the Owner has caused this Restrictive Covenant to be signed by its duly authorized representative, as of the day and year first written above.

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HEATHER VILLAGE A CHRISTIAN
RETIREMENT COMMUNITY, a Washington
nonprofit corporation

By:

Its:

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STATE OF WASHINGTON)) ss.)

COUNTY OF SKAGIT

certify that I know or have satisfactory evidence is the person who appeared before me, and said person DICK Keitsma acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the manager HEATHER VILLAGE A CHRISTIAN RETIREMENT COMMUNITY, a Washington nonprofit corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: August 4

(Use this space for notarial stamp/seal)

Notary Public: Gerri Thielsen

Print name: Gerri Thielsen My commission expires: 8/20/2010

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EXHIBIT A

LEGAL DESCRIPTION

Tract "A" of City of Mount Vernon Short Plat No. MV-3-88, approved May 16, 1988 and recorded May 18, 1988 under Auditor's File No. 8805180017 in Volume 8 of Short Plats, page 37 and 38, records of Skagit County, Washington; being a portion of the Southwest ¼ of the Northeast ¼ and of the Southeast ¼ of the Northwest ¼ of Section 30, Township 34 North, Range 4 East W. M.

TOGETHER WITH Lot 2, City of Mount Vernon Short Plat No. MV-2-93, approved May 17, 1993 and recorded May 20, 1993 in Book 10 of Short Plats, pages 194 and 195, under Auditor's File No. 9305200005 and being a portion of the Southwest ¼ of the Northeast ¼ and of the Southeast ¼ Section 30, Township 34 North, Range 4 East W. M.

ALSO TOGETHER WITH that portion of the Southeast ¼ of the Northwest ¼ of Section 30, Township 34 North, Range 4 East W.M., described as follows:

Beginning at a point 811.87 feet West and 934.41 feet South of the Northeast corner of the Southwest ¼ of the Northeast ¼ of said section;

Thence North 0°07' East 380.57 feet;

Thence South 89°20'30" West 799.05 feet, more or less, to the Easterly line of the County Road and the true point of beginning;

Thence North 89°20'30" East 248 feet;

Thence South 104.57 feet;

Thence South 89°20'30" West 212.61 feet, more or less, to the County Road;

Thence North 18°30' West 109.95 feet to the true point of beginning

Situate in County of Skagit, State of Washington.

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CORPORATE CERTIFICATE OF ATHORITY

I, Chris Ledeboer, do hereby certify that I am the Secretary of Heather Village A Christian Retirement Community, a Non-Profit corporation under the laws of the state of Washington; that the following is a true complete and correct copy of resolution adopted at a meeting of the Board of Directors of said corporation duly and properly called and held on the 20th day of May, 2009. That a quorum was present at the meeting; and that such resolution was duly adopted in writing effective as of that date.

Article IV of the above meeting authorizes any one of the following individuals to sign all documents necessary for Heather Village, A Christian Retirement Community, to purchase, sell, lease, or modify it such as building additional units.

AUTHORIZED SIGNERS

Name and Title

Peggy Burr, President

Chris Ledeboer, Secretary

Dick Reitsma

Secretary's Signature

Signatures

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