

Return To:

Washington State Housing Finance Commission  
Low-Income Housing Tax Credit Division  
1000 Second Avenue, Suite 2700  
Seattle, Washington 98104-1046  
ATTN: Yana Osses



201604270092

Skagit County Auditor

\$83.00

4/27/2016 Page

1 of

11

3:26PM

CHICAGO TITLE

620019855

**Document Title:** Amendment to Regulatory Agreement (Extended Use Agreement)

**Grantor(s):** BOH Portfolio Preservation Associates, LLLP

**Grantee:** Washington State Housing Finance Commission

**Legal Description, Abbreviated form:**

PTN TRACT 43 BURLINGTON ACREAGE, Skagit County Additional legal description on Exhibit "A" of document.

**Assessor's Property Tax Parcel Account Number(s)** P62559/3867-000-043-0708 and P95540/3867-000-043-2308

**Reference numbers of related documents:**

- 1) Regulatory Agreement (Extended Use Agreement) 201510080093

**FIRST AMENDMENT TO REGULATORY AGREEMENT  
(EXTENDED USE AGREEMENT)**

**Between**

**WASHINGTON STATE HOUSING FINANCE COMMISSION**

**And**

**BOH Portfolio Preservation Associates, LLLP**

**Dated as of January 7, 2016**

**WASHINGTON STATE HOUSING FINANCE COMMISSION  
LOW-INCOME HOUSING TAX CREDIT PROGRAM**

**(Ruby Preservation Portfolio Project – Fairhaven Manor)  
TC or OID NUMBER (As Applicable) 15-74B**

After recording return to:

**Washington State Housing Finance Commission  
Low-Income Housing Tax Credit Division  
1000 Second Avenue, Suite 2700  
Seattle, WA 98104-1046  
Attention: Yasna Osses**

**FIRST AMENDMENT TO REGULATORY AGREEMENT  
(EXTENDED USE AGREEMENT)**

**WASHINGTON STATE HOUSING FINANCE COMMISSION**

**Ruby Preservation Portfolio Project – Fairhaven Manor**

**TC or OID NUMBER (As Applicable) 15-74B**

This First Amendment to Regulatory Agreement (Extended Use Agreement) (the "First Amendment"), dated for convenience of reference as of January 7, 2016, is between the Washington State Housing Finance Commission, a public body corporate and politic (the "Commission") and **BOH Portfolio Preservation Associates, LLLP**, a Washington limited liability limited partnership (the "Owner").

**RECITALS**

WHEREAS, the Commission was designated by the Governor of Washington by Executive Order 94-05 as the sole housing credit agency authorized to allocate the federal low-income housing tax credit (the "Credit") for Residential Rental Property located in Washington, in accordance with Section 42 of the Internal Revenue Code; and

WHEREAS, the Commission allocated Credit to the **Ruby Preservation Portfolio – Fairhaven Manor** (the "Project") located on the property or properties legally described in Exhibit "A", attached hereto and incorporated herein by this reference; and

WHEREAS, in connection with the allocation of Credit to the Project, the Commission and the Owner entered into that certain Regulatory Agreement (Extended Use Agreement), dated for convenience of reference as of October 8, 2015, (the "Regulatory Agreement") and recorded in the records of Skagit County, Washington on October 8, 2015, as Recorder's Number 201510080093, and certain other documents and agreements relating to the Project; and

WHEREAS, the Commission and the Owner wish to amend the Regulatory Agreement as set forth below.

### AGREEMENT

1. Amendment. In order to amend and restate the City in which the buildings are located, Exhibit "B" for the Regulatory Agreement is hereby amended and restated in Exhibit "B" of the First Amendment.

To the extent any term or provision of the Regulatory Agreement, or any other document or agreement relating to the Project to which the Commission and the Owner (or any of the Owner's predecessors in interest) are parties (the "Other Project Documents"), including the exhibits and schedules to the Regulatory Agreement and Other Project Documents, conflicts with this First Amendment, the provisions of this First Amendment shall control.

2. Other Terms and Conditions. Except as specifically set forth in Section 1 above, all of the terms and conditions of the Regulatory Agreement and the Other Project Documents, including all exhibits and schedules thereto, shall remain in full force and effect.

3. Effective Date. Notwithstanding the date of this First Amendment set forth on page one, this First Amendment is entered into and shall be effective on the last signature date of the parties hereto.

4. Meaning of Capitalized Terms. Capitalized terms used in this First Amendment which are not otherwise defined herein shall have the meaning set forth in the Regulatory Agreement and otherwise as set forth in the *Policies* in effect as of the effective date of the Credit Reservation Contract for the Project.

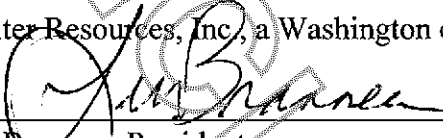
IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their respective, duly authorized representatives on the date(s) set forth opposite their signatures below.

OWNER:

**BOH PORTFOLIO PRESERVATION ASSOCIATES, LLLP**, a Washington limited liability limited partnership

By: BOH Portfolio Preservation JV Associates, LLC, a Washington limited liability company, its Administrative General Partner

By: Shelter Resources, Inc., a Washington corporation, its Manager

By:   
Len Brannen, President

By: Shelter America Group-Ruby LLC, a Washington limited liability company, its Managing General Partner

By: Shelter America Group, a Washington nonprofit corporation, its Sole Member and Manager

By: \_\_\_\_\_  
Christopher Bric, President

Owner's Federal Taxpayer Identification Number: **47-3702181**

WASHINGTON STATE HOUSING COMMISSION

By:   
Kim Herman, Executive Director

**JAN 07 2016**

Date

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their respective, duly authorized representatives on the date(s) set forth opposite their signatures below.

OWNER:

**BOH PORTFOLIO PRESERVATION ASSOCIATES, LLLP**, a Washington limited liability limited partnership

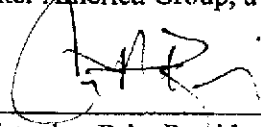
By: BOH Portfolio Preservation JV Associates, LLC, a Washington limited liability company, its Administrative General Partner

By: Shelter Resources, Inc., a Washington corporation, its Manager

By:   
Len Brannen, President

By: Shelter America Group-Ruby LLC, a Washington limited liability company, its Managing General Partner

By: Shelter America Group, a Washington nonprofit corporation, its Sole Member and Manager

By:   
Christopher Bric, President

Owner's Federal Taxpayer Identification Number: **47-3702181**

WASHINGTON STATE HOUSING COMMISSION

By:   
Kim Herman, Executive Director

JAN 07 2016

Date

STATE OF WASHINGTON )

) ss.

COUNTY OF KING )

On this 7 day of January, 2016, before me, the undersigned Notary Public, duly commissioned and qualified in and for the said State and County, personally came and appeared **Kim Herman, Executive Director** of the Washington State Housing Finance Commission, a public body corporate and politic, and acknowledged to me that the foregoing instrument was signed by him on behalf of said Commission, and that he acknowledged the foregoing instrument to be the free act and deed of the Commission.

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

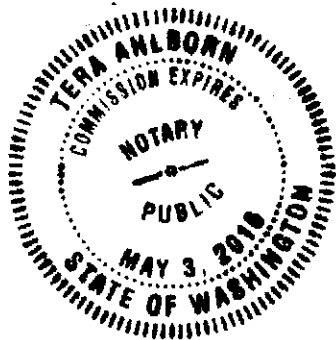
By Tera Ahlborn

Name (print): Tera Ahlborn

NOTARY PUBLIC in and for the State of

Washington, residing at Pierce County

My commission expires May 3, 2016



FIRST AMENDMENT TO REGULATORY AGREEMENT  
(EXTENDED USE AGREEMENT)

Ruby Preservation Portfolio – Fairhaven Manor (TC or OID #15-74B)

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that **LEN BRANNEN** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the President of Shelter Resources, Inc., the manager of BOH Portfolio Preservation JV Associates, LLC, the Administrative General Partner of **BOH PORTFOLIO PRESERVATION ASSOCIATES, LLLP**, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 4/30/2016



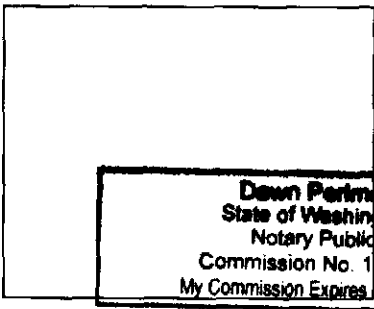
(Use this space for notarial stamp/seal)

A. Katherine Solan  
Notary Public  
Print Name A. Katherine Solan  
My commission expires 10/29/2019

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that **CHRISTOPHER BRIC** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the President of Shelter America Group, the sole member and manager of Shelter America Group-Ruby LLC, the Managing General Partner of **BOH PORTFOLIO PRESERVATION ASSOCIATES, LLLP**, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 4/15/16



Dawn Perlman  
Notary Public  
Print Name DAWN PERLMAN  
My commission expires 2/25/2017

FIRST AMENDMENT TO REGULATORY AGREEMENT  
(EXTENDED USE AGREEMENT)

Ruby Preservation Portfolio - Fairhaven Manor (TC or OID #15-74B)



**EXHIBIT "A"**

**TO FIRST AMENDMENT TO REGULATORY AGREEMENT  
(EXTENDED USE AGREEMENT)**

**LEGAL DESCRIPTION**

THE WEST HALF OF THE NORTH HALF OF THE EAST HALF OF TRACT 43, PLAT OF THE BURLINGTON ACREAGE PROPERTY, AS PER PLAT RECORDED IN VOLUME 1 OF PLATS, PAGE 49, RECORDS OF SKAGIT COUNTY, WASHINGTON;

EXCEPT THE TWO FOLLOWING DESCRIBED TRACTS:

1. BEGINNING AT THE SOUTHWEST CORNER OF THE EAST HALF OF THE NORTH HALF OF SAID TRACT 43;  
THENCE NORTH ALONG THE WEST LINE OF SAID EAST HALF OF THE NORTH HALF 18.4 FEET; THENCE EAST, 311.5 FEET;  
THENCE SOUTH 19.3 FEET TO THE SOUTH LINE OF SAID EAST HALF OF THE NORTH HALF; THENCE WEST ALONG THE SOUTH LINE OF SAID EAST HALF OF THE NORTH HALF, 311.5 FEET TO THE POINT OF BEGINNING.
2. THE EASTERLY 25 FEET THEREOF AS CONVEYED TO THE CITY OF BURLINGTON FOR ROAD PURPOSES BY DEEDS RECORDED DECEMBER 28, 1955 AND SEPTEMBER 13, 1977, UNDER AUDITOR'S FILE NOS. 529242 AND 864623, RECORDS OF SKAGIT COUNTY, WASHINGTON, RESPECTIVELY.

FURTHER DESCRIBED AS: COMMENCING AT AN ENCASED MONUMENT AT THE INTERSECTION OF W FAIRHAVEN AVE. AND S NORRIS ST; THENCE S 88°25'56" E 965.42 FEET TO A ENCASED MONUMENT AT THE INTERSECTION OF W FAIRHAVEN AVE. AND HULBUSH LN, SAID POINT BEING ON THE EXTENSION OF THE EAST LINE OF THE WEST HALF OF THE NORTH HALF OF THE EAST HALF OF LOT 43, PLAT OF THE BURLINGTON ACREAGE PROPERTY, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 1 OF PLATS, PAGE 49, RECORDS OF SKAGIT COUNTY, WASHINGTON; THENCE ALONG SAID EAST LINE, S 2°14'21" W 321.39 FEET TO A POINT 19.30 FEET NORTH OF THE SOUTHEAST CORNER OF THE WEST HALF OF THE NORTH HALF OF THE EAST HALF OF SAID LOT 43; THENCE N 88°29'27" W 25.00 FEET TO THE WEST LINE OF HULBUSH LN AND THE POINT OF BEGINNING; THENCE CONTINUING N 88°29'27" W 286.57 FEET TO A POINT ON THE WEST LINE OF SAID WEST HALF, SAID POINT BEING 18.40 FEET NORTH OF THE SOUTHWEST CORNER OF SAID WEST HALF OF THE NORTH HALF OF THE EAST HALF OF SAID LOT 43; THENCE N 2°11'34" E 291.70 FEET TO THE NORTHWEST CORNER OF SAID WEST HALF AND THE SOUTH LINE OF W. FAIRHAVEN AVE; THENCE ALONG SAID SOUTH LINE, S 88°25'56" E 286.80 FEET TO THE WEST LINE OF HULBUSH LN; THENCE S 2°14'21" W 291.41 FEET TO THE POINT OF BEGINNING;

SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

**EXHIBIT "B"**

**TO REGULATORY AGREEMENT (EXTENDED USE AGREEMENT)**

**PROJECT DESCRIPTION:**

1. NAME OF PROJECT: Ruby Preservation Portfolio – Fairhaven Manor  
TC OR OID NUMBER: 15-74B  
OWNER: BOH Portfolio Preservation Associates, LLLP  
OWNER'S ADDRESS: 2223 112<sup>th</sup> Ave NE, Suite 102  
Bellevue, WA 98004  
CONTACT FOR LEGAL NOTICES: Len Brannen  
Shelter Resources, Inc.  
2223 112<sup>th</sup> Ave NE, Suite 102  
Bellevue, WA 98004
2. PROJECT AND OWNER COMMITMENTS, RESTRICTIONS, COVENANTS:  
CREDIT SET-ASIDE CATEGORY: Tax-Exempt Bond  
ADDITIONAL LOW-INCOME HOUSING  
USE PERIOD: 15 years  
PROJECT COMPLIANCE PERIOD: 33 years  
TOTAL UNITS: 40  
TOTAL COMMON AREA UNITS: 0  
TOTAL MARKET RATE UNITS: 0  
†TOTAL HOUSING UNITS: 40  
\*†PROJECT APPLICABLE FRACTION: 100%  
MINIMUM LOW-INCOME HOUSING SET-  
ASIDE: 40% at 60% AMI

PERCENT OF AMGI FOR QUALIFIED LOW-INCOME HOUSING UNITS: 60%

\*TOTAL HOUSING UNITS IN LOW-INCOME HOUSING COMMITMENT: 40

	#* OF HOUSING UNITS	%* OF ALL LIH HOUSING UNITS	% of AMGI
THE FOLLOWING ADDITIONAL LOW-INCOME HOUSING ELECTIONS WILL APPLY:	40	100%	60%

THE FOLLOWING SPECIAL-NEEDS HOUSING COMMITMENTS WILL APPLY:

**For Large Households 8 20%**

#### ADDITIONAL SET-ASIDES

In addition to the above covenants, the Owner has previously agreed to the following additional set-asides (the "Additional Set-Asides"):

10% of the housing units set aside for Large Households (4 units)

Until December 31, 2023, (1) no tenant occupying a unit subject to an Additional Set-Aside may be evicted, other than for Good Cause, and (2) all Additional Set-Aside units shall maintain their current rent restricted status; provided that upon the vacancy by a tenant residing in an Additional Set-Aside unit, such unit shall be released from the Additional Set-Aside. On January 1, 2024 all such Additional Set-Asides shall expire.

The following buildings are of the Tax Credit Type: **Rehabilitation with Federal Subsidies**

BIN for each Building	Known Street Address as of date of Extended Use Regulatory Agreement	City	# of Housing Units by Building†	# of Qualified Low-Income Housing Units by Building†	# of Common Area Units
WA-91-00095	105 & 111 Hulbush Lane Building F	Burlington	8	8	0
WA-91-00096	125 & 131 Hulbush Lane Building B	Burlington	8	8	0
WA-91-00123	145 & 151 Hulbush Lane Building E	Burlington	8	8	0
WA-91-00124	165 & 171 Hulbush Lane Building D	Burlington	8	8	0
WA-91-00125	185 & 191 Hulbush Lane Building C	Burlington	8	8	0

\* Based on the lesser of the Unit Fraction or Floor Space Fraction.

† Excludes any Common Area Units