



**201811070023**

11/07/2018 12:07 PM Pages: 1 of 7 Fees: \$105.00  
Skagit County Auditor

**When Recorded Return to:**

Skagit County Public Health  
700 South Second Street, #301  
Mount Vernon, WA 98273

Attention: Kayla Schott-Bresler

↑Reserved for Recording Purposes Only↑

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**Affordable Housing Covenant**

Grantor(s): Anacortes Family Center

Grantee(s): Beneficiary-Skagit County

Abbreviated Legal: Lot 13, Block 6, Hensler's First Addn. to Anacortes; Lots 14 & 15, Block 6,  
Hensler's First Addn. to the City of Anacortes

Additional legals on page: 1 and 2

Assessor's Tax Parcel Number(s): P57345; P57346

This Skagit County Covenant ("Covenant") is made by Anacortes Family Center, a nonprofit organization ("Grantor"), and is part of the consideration for the financial assistance provided by Skagit County ("County") for the construction of an apartment building at 1020 27<sup>th</sup> Street and 1018 27<sup>th</sup> Street, Anacortes.

Lot 13, Block 6, PLAT OF HENSLER'S FIRST ADDITION TO THE CITY OF  
ANACORTES, according to the plat thereof recorded in Volume 3 of Plats, page 46, records  
of Skagit County, Washington.

Lots 14 and 15, Block 6, "PLAT OF HENSLER'S FIRST ADDITION TO THE CITY OF ANACORTES, SKAGIT CO., WASH.", as per plat recorded in Volume 3 of Plats, page 46, records of Skagit County, Washington.

UNDER SKAGIT COUNTY AUDITOR'S FILE NO. 201602050047 and 201604150056  
RECORDS OF SKAGIT COUNTY, WASHINGTON.

SITUATE IN SKAGIT COUNTY, WASHINGTON (the "Property").

This Covenant will be filed and recorded in the official public land records of Skagit County, Washington and shall constitute a restriction upon the use of the property described herein, subject to and in accordance with the terms of this Covenant, for fifty years beginning on the date of execution of this Covenant.

The covenants contained herein are to be taken and construed as covenants running with the land and shall pass to and be binding upon the Grantor, its successors and assigns, heirs, grantees, or lessees of the Property, beginning on the date of execution of this Covenant and ending after fifty years, as set forth in the Agreement. Each and every contract, deed, or other instrument covering or conveying the Property, or any portion thereof, shall be conclusively held to be have been executed, delivered and accepted subject to such covenants, regardless of whether such covenants are set forth in such contract, deed, or other instruments.

NOW, THEREFORE, it is hereby covenanted, for the fifty years, commencing on the date of execution of this Covenant, as follows:

1. This Property was made available to the Grantor with the aid of funds from Skagit County Real Estate Excise Taxes for residential purposes. The condition of this financial assistance restricts use and resale of the property. Grantor covenants as follows:
  - a. The present or any future occupants of the apartment building will be exclusively tenants who at the time of initial occupancy have gross annual household income at or below fifty percent (50%) of the local area median income, with a minimum of two units restricted to households at or below 30% of Area Median Income. Household incomes are adjusted for household size, as estimated from time to time by the United States Department of Housing and Urban Development ("HUD"). If HUD ceases to provide such estimates of median income, then median income shall mean such comparable figure for Skagit County, Washington published or reported by a federal, state, or local agency as the Grantee shall direct.
  - b. The building is subject to maximum restricted rent, no higher than the affordable rent for the target income category based on the number of bedrooms. Grantee will use the Washington State Housing Finance Commission schedule of maximum rents and

income level served for Skagit County. If the Washington State Housing Finance Commission ceases to provide such estimates of median income, then median income shall mean such comparable figure for Skagit County, Washington published or reported by a federal, state, or local agency as the Grantee shall direct.

- c. Tenants of the Project who are income-eligible at the time of their initial occupancy or the time of County funding, whichever is later, may be relocated when their incomes exceed the restrictions of their unit, subject to landlord tenant law and the discretion of the Recipient. If tenancy continues, such over-income tenants are subject to separate mandatory or optional rent increases, or both, as follows: (1) If a tenant's income surpasses 140% of the maximum income limit for the unit, the Recipient must charge the maximum restricted rent for that unit, and (2) If a tenant's income surpasses 65% of median income, the Recipient has the option of raising the rent to a level up to 30% of the tenant's income at the following year's income certification, regardless of the maximum restricted rent. Upon unit turnover, rents may be adjusted to the maximum allowable rent based on number of bedrooms and affordability level.
  - d. Tenant selection is limited to those requirements that are reasonably related to the applicants' ability to perform the obligations of the lease (i.e. to pay the rent, to not damage the housing, to not interfere with the rights and quiet enjoyment of other tenants).
  - e. The Recipient may not exclude an application with a certificate or voucher to pay rent because of the status of the prospective tenant as a holder of such certificate, voucher, or comparable rental assistance document.
  - f. Two units shall be occupied at all times by households referred through the Skagit County Coordinated Entry System, so long as that system continues to be funded by Skagit County.
  - g. This Covenant is for a period of fifty years following execution.
2. Compliance with State and Local Requirements. The Grantor will provide safe and sanitary housing, and will comply with all state and local housing codes, licensing requirements, and other requirements regarding the condition of the structure and the operation of the project in the County.
  3. Records. The Grantor will keep any records and make any reports relating to compliance with this covenant that Grantee may reasonably require.
  4. Default: In the event that Grantor, or Grantor's successor-in-interest, (a) fails to maintain or use the Property as residential, or (b) the present and future occupants of the units subject to this Low-Income Covenant do not meet the foregoing income limits at the time of their initial occupation of the Property, Grantor shall take all legal steps necessary to terminate the tenancies of such occupants as expeditiously as possible. Failure to commence such steps within thirty (30) days following Grantor becoming aware of the fact that the tenants were

over income at the time of their initial occupancy shall constitute an Event of Default hereunder and under the terms of the Agreement. In the event legal action is required to enforce the foregoing condition, the prevailing party shall be entitled to an award of reasonable attorney's fees and all the cost of any legal action and title searches.

This covenant touches and concerns the Property and shall run with the Property and is for the benefit of the general public and shall be binding upon the Grantor's heirs, devisees, executors, administrators, successors and assigns. It may not be revoked without the prior written consent of Grantee.

Grantee: ~~SKAGIT COUNTY~~

By:

Tim Holloran, Skagit County Administrator

STATE OF WASHINGTON, }  
                                     }SS.

County of Skagit }

I certify that I know or have satisfactory evidence that Tim Holloran is the person who appeared before me, and said person acknowledged that s/he signed this instrument and acknowledged it to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument

Dated: August 14, 2018

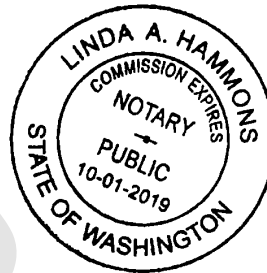
Dinda Bremer

Notary Public in and for the State of Washington

Printed Name: Linda Hammons

Residing at Skagit County

My appointment expires 10-01-2019

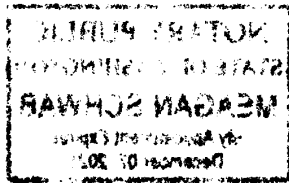


By: Tim Holloran  
Tim Holloran, Skagit County Administrator

County of Skagit }

Dated: August 14, 2018  
Jinda Hammer  
 Notary Public in and for the State of Washington

A circular notary seal for Linda A. Hammons, a Notary Public in the State of Washington. The seal features her name "LINDA A. HAMMONS" around the top inner edge and "STATE OF WASHINGTON" around the bottom inner edge. In the center, it reads "COMMISSION EXPIRES", "NOTARY", followed by a small star symbol, "PUBLIC", and the date "10-01-2019".



By: \_\_\_\_\_

Signature

Dustin Johnson

Printed Name

Executive Director

Printed Title

STATE OF WASHINGTON, }  
                                  }SS.

County of Skagit }

I certify that I know or have satisfactory evidence that Dustin Johnson is the person who appeared before me, and said person acknowledged that s/he signed this instrument and acknowledged it to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument

Dated: 06/22/2018Meagan Schwab  
Notary Public in and for the State of WashingtonPrinted Name: Meagan SchwabResiding at Mount VernonMy appointment expires 12/07/21