



**201908220037**

08/22/2019 10:27 AM Pages: 1 of 5 Fees: \$107.50  
Skagit County Auditor

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

GUARDIAN NORTHWEST TITLE CO.

19-1572

Return Address: USDA RURAL DEVELOPMENT  
1835 Black Lake Blvd. SW, Suite B  
Olympia, WA 98512

Document Title: RESTRICTIVE USE PROVISION AND AGREEMENT

Grantor: Housing Authority of Skagit County

Grantee: United States of America acting through  
United States Department of Agriculture,  
Rural Housing Service

Re: Skagit County Seasonal Housing

Abbreviated legal: Portion of the NE SW of Sec 33, Twp 35 N, R 4 E, WM and Tract 25 of  
Burlington Acreage Property

Parcel Number: P62437 (3867-000-025-0601)

#### RESTRICTIVE-USE PROVISIONS AND AGREEMENT

**WHEREAS**, Housing Authority of Skagit County "Owner", or a predecessor in interest, received a loan from the United States of America, acting through the Rural Housing Service in Rural Development (Agency), U.S. Department of Agriculture which was evidenced by a promissory notes dated August 22, 2019, in the original amount of \$1,400,000.00 and secured by a certain Deed of Trust or Mortgage dated August 22, 2019, and recorded in the land records for the County of Skagit for the purpose of providing housing in accordance with Section 42 U.S.C. 1484 (Section 514) and Title V of the Housing Act of 1949, as amended "Program"; and

**NOW, THEREFORE**, in consideration of the restrictions on the Property as further described in Exhibit A, the sum of Ten Dollars (\$10) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, for themselves and for their respective successors and assigns, hereby covenant and agree as follows:

- (1) **Term.** The period of the restriction will be for 20 years, from the date this Restrictive Use Covenant was signed.
- (2) **Use Requirement.** The Owner, and any successors in interest, agree to use the Property in compliance with 42 U.S.C. § 1484, § 1485 and/or § 1486, whichever is applicable, and 7 CFR part 3560, and any other applicable regulations and amendments, for the purpose of housing program eligible very low-, low-, or moderate-income tenants.
- (3) **Enforcement.** The Agency and program eligible tenants or applicants may enforce these restrictions as long as the Agency has not terminated the Restrictive Use Agreement pursuant to paragraph 7 below.
- (4) **Displacement Prohibition.** The Owner agrees not to refuse to lease a dwelling unit offered for rent, or otherwise discriminate in the terms of tenancy, solely because any tenant or prospective tenant is the recipient of housing assistance from the Agency or any other Federal agency. No eligible person occupying the housing will be required to vacate nor any eligible person denied occupancy for housing because of a prohibited change in the use of the housing.
- (5) **Owner's Responsibilities.** The Owners agrees to: set rents, other charges, and conditions of occupancy in a manner to meet the restrictions required in this Restrictive Use Covenant; post an Agency approved notice of these restrictions for the tenants of the property; to adhere to applicable local, State, and Federal laws; and to obtain Agency concurrence for any rental procedures that deviate from those approved at the time of prepayment, prior to implementation.
- (6) **Civil Rights Requirements.** The Owner will comply with the provisions of any applicable Federal, State or local law prohibiting discrimination in housing on the basis of race, color, religion, sex, national origin, handicap or familial status, including but not limited to: Title VI of the Civil Rights Act of 1964 (Public Law 90-284, 82 Stat. 73), the Fair Housing Act, Executive Order 11063, and all requirements imposed by or pursuant to Agency regulations implementing these authorities, including, but not limited to, 7 CFR 3560.10.4.
- (7) **Release of Obligation.** The Owner will be released from these obligations before the termination period set in paragraph 1 only when the Agency determines that there is a no longer a need for the housing or that financial assistance provided the residents of the housing will no longer be provided due to no fault, action or lack of action on the part of the Owner.
- (8) **Violations; the Agency's Remedies.** The parties further agree that upon any default under this covenant, the Agency may apply to any court, State or Federal, for specific performance of this Agreement, for an injunction against violation of this covenant or for such other equitable relief as may be appropriate, since the injury to the Agency arising from a violation under any of the terms of this covenant would be irreparable and the amount of damage would be difficult to ascertain.
- (9) **Covenants to Run with Land.** The Owner hereby subjects the Property to the covenants, reservations and restrictions set forth in this covenant. The Owner hereby declares its express intent that the covenants, reservations and restrictions set forth herein shall be deemed covenants running with the land to the extent permitted by law and shall pass to and be binding upon the successors in title to the Property throughout the term. Each and every

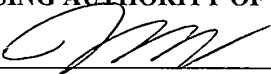
contract, deed, mortgage or other instrument hereafter executed covering or conveying the Property or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instrument. The Agency hereby agrees that, upon the request of the Owner made on or after the term of this covenant, the Agency shall execute a recordable instrument approved by the Agency for purposes of releasing this covenant of record. All costs and expenses relating to the preparation and recording of such release shall be paid by the Owner.

- (10) **Superiority.** The document hereto constitutes a restrictive covenant that is filed of record, with all other Deeds of Trusts or Mortgages, and that, notwithstanding a foreclosure or transfer of title pursuant to any other instrument or agreement, the restrictive covenants and provisions hereunder shall remain in full force and effect.
- (11) **Subsequent Modifications and Statutory Amendments.** The Agency may implement modifications necessitated by any subsequent statutory amendment without the consent of any other party, including those having the right of enforcement, to require that any third-party obtain prior Agency approval for any enforcement action concerning preexisting or future violations of this covenant.
- (12) **Other Agreements.** The Owner represents and warrants that it has not and will not execute any other agreements with provisions contradictory or in opposition to the provisions of this covenant and that, in any event, the provisions of this covenant are paramount and controlling as to the rights and obligations set forth herein and supersede any other conflicting requirements.
- (13) **Binding Effect.** Upon conveyance of the Property during the term, the Owner shall require its successor or assignee to assume its obligations under this covenant. In any event, this covenant shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and/or assigns.
- (14) **Amendment.** This covenant may not be modified except by an instrument in writing executed by each of the parties that are signatories hereto.
- (15) **Severability.** Notwithstanding anything herein contained, if any one or more of the provisions of this covenant shall for any reason whatsoever be held to be illegal, invalid or unenforceable in any respect, such illegality, invalidity or unenforceability shall not affect any other provision of this covenant, but this covenant shall be construed as if such illegal, invalid or unenforceable provision had never been contained herein.
- (16) **Headings.** The headings and titles to the sections of this covenant are inserted for convenience only and shall not be deemed a part hereof nor affect the construction or interpretation of any provisions hereof.
- (17) **Governing Law.** This covenant shall be governed by all applicable Federal laws.

IN WITNESS WHEREOF, the parties hereto have caused this Restrictive Use Covenant to be executed and made effective as of the date first above written.

WITNESS the hand (s) of Borrower this 21<sup>st</sup> day of August, 2019.

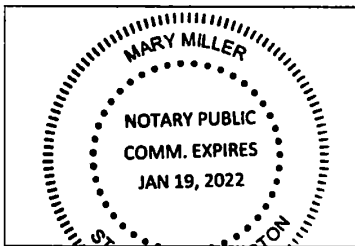
**HOUSING AUTHORITY OF SKAGIT COUNTY:**

By:   
 Name: Melanie Corey  
 Its: Executive Director

STATE OF WASHINGTON )  
 ) ss.  
 COUNTY OF SKAGIT )

I certify that I know or have satisfactory evidence that Melanie Corey is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that she/he was authorized to execute the instrument and acknowledged it as the Executive Director of the Housing Authority of Skagit County to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: August 21, 2019.



  
 Notary Public

Print Name Mary Miller

My commission expires 01-19-2022

(Use this space for notarial stamp/seal)

## EXHIBIT A

Lot "A" of Skagit County Short Plat No. PL 17-0217 approved April 29, 2019 and recorded April 29, 2019 as Skagit County Auditor's File No. 201904290105 being a portion of the Northwest Quarter of the Southeast Quarter and the Northeast Quarter of the Southwest Quarter of Section 33, Township 35 North, Range 4, East, W. M. and of Tracts 25 and 36, "PLAT OF THE BURLINGTON ACREAGE PROPERTY," as per plat recorded in Volume 1 of Plats, page 49, records of Skagit County, Washington.