

When Recorded Return to:

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

Attention: Kayla Schott-Bresler



201909270015

09/27/2019 09:07 AM Pages: 1 of 6 Fees: \$108.50
Skagit County Auditor

↑Reserved for Recording Purposes Only↑

Affordable Housing Covenant

Grantor(s): Anacortes Family Center

Grantee(s): Beneficiary-Skagit County

Abbreviated Legal: LOTS 10, 11 AND 12, BLOCK 6, PLAT OF HENSLERS 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.

Assessor's Tax Parcel Number(s): P57344

This Skagit County Affordable Housing 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 acquisition of 1019 26th Street, Anacortes, WA ("Property"), to be developed into multifamily housing.

LOTS 10, 11 AND 12, BLOCK 6, PLAT OF HENSLERS 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.
OF SKAGIT COUNTY, WASHINGTON.

RECORDS

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 Funding Agreement C20190176. 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. Prior to the development of multifamily affordable housing, the existing housing unit shall exclusively house homeless households at or below 50% of Area Median Income.
 - b. Within five years of the date of acquisition, the Property shall be developed into 14-20 units of low-income housing.
 - i. Four (4) units in the project will be restricted to households with incomes at or below 30% of Area Median Income (AMI), and entrants into these units will be referred exclusively through the Skagit County Coordinated Entry System, so long as that system continues to be funded by Skagit County. These units will be considered "floating" units, meaning these units can change or "float" among all units in the project in order to maintain the income mix of the project.
 - ii. All 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 Area Median Income.
 - c. 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.

- d. Rents charged must be no more than the maximum affordable rent for the respective income levels, as determined by the Department of Housing and Urban Development. Tenants of the Project who are income-eligible at the time of their initial occupancy 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.
 - e. 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).
 - f. 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.
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.

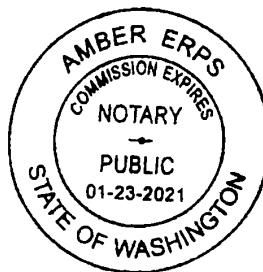
This covenant touches and concerns the Property and shall run with the Property and is for the benefit of the general public and shall be binding upon the Grantor's heirs, devisees, executors,

administrators, successors and assigns. It may not be revoked without the prior written consent of Grantee.

By: Trisha Logue
Trisha Logue, Skagit County Administrator

I certify that I know or have satisfactory evidence that Trisha Logue 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

Printed Name: Amber Erps
Residing at: Mount Vernon
My appointment expires: 01-23-2021



By:

~~Signature~~

Dustin Johnson

Executive Director

STATE OF WASHINGTON }
 }SS.
County of Skagit }

Dated:

Notary Public in and for the State of Washington

Printed Name: Gina M. Walsh

Residing at: Anacortes, WA

My appointment expires: 10/28/20

