

When Recorded Return To:

Washington State Department of Commerce
Housing Finance Unit
1011 Plum Street SE
Post Office Box 42525
Olympia, Washington 98504-2525

Attention: HFU Contracts/Fiscal - HTF

LOW INCOME HOUSING COVENANT AGREEMENT

Grantor (Borrower): Housing Authority of Skagit County Mount Vernon Farmworker LLLP

Beneficiary (Lender): Department of Commerce

Legal Description (abbreviated): SW NW of Sec. 15, Twp. 34N., R. 4E., WM

Assessor's Tax Parcel ID#: P24832

Contract Number: 19-94110-018

This Low Income Housing Covenant Agreement (the "Covenant") is made by Housing Authority of Skagit County Mount Vernon Farmworker LLLP, a Washington limited liability limited partnership ("Grantor") and is part of the consideration for the financial assistance provided by the Department of Commerce, a department of the State of Washington ("Department"), to Housing Authority of Skagit County, a Washington public body corporate and politic, pursuant to a Housing Trust Fund Contract Number 19-94110-018 (the "Contract"), for the New Construction of real property legally described as follows:

PARCEL A

THE SOUTH 616 FEET OF THE FOLLOWING DESCRIBED PROPERTY:

THE EAST 1/2 OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 15, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M.

EXCEPT THAT PORTION CONVEYED TO THE STATE OF WASHINGTON BY DEED DATED MAY 29, 1986 AND RECORDED UNDER AUDITOR'S FILE NO. 8610010020, RECORDS OF SKAGIT COUNTY, WASHINGTON.

SITUATE IN THE CITY OF MOUNT VERNON, COUNTY OF SKAGIT, STATE OF WASHINGTON.

**1st AM
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PARCEL B:**AN EASEMENT FOR STORMWATER POND AS ESTABLISHED UNDER OPERATIONS, MAINTENANCE, AND EASEMENT AGREEMENT FOR DRAINAGE AND STORMWATER FACILITIES RECORDED October 21, 2021, UNDER RECORDING NO. 202110210093**

(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 and is construed as running with the land which shall pass to and be binding upon the Grantor, its successors and assigns, heirs, grantees, or lessees of the Property, beginning December 1, 2022 and ending November 30, 2072. Each and every contract, deed or other instrument covering or conveying the Property, or any portion thereof, shall be conclusively held to 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, as follows:

1. Fifty (50) residential units in the Property will be rented to households that at the time of initial occupancy have gross annual household incomes at or below fifty percent (50%) AMI as set forth in Attachment B attached hereto of the local area median income for Mount Vernon-Anacortes, WA Metropolitan Statistical Area adjusted for the imputed 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 Department shall select. Rents shall not exceed thirty percent (30%) of the monthly income of the target population (as defined in Section 2.06 in the contract) and be adjusted for household size and are less the monthly allowance for customary utilities and services (excluding telephone, cable television and other telecommunications), to be paid by tenant. One (1) residential unit of the fifty-one (51) total units in the Property will be reserved as a manager unit.
2. 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 jurisdiction in which the housing is located.
3. The Grantor will keep any records and make any reports relating to compliance with this covenant that the Department may reasonably require.
4. **DEFAULT:** If a violation of this Covenant occurs, the Department (or its successor agency) may, after thirty (30) days' notice and opportunity to cure the violation which cure may be effected by the Grantor and/or its Limited Partners (as defined in the Contract), institute and prosecute any proceeding at law or equity to abate, default the loan, prevent, or enjoin any such violation or to compel specific performance by the Grantor of its obligations hereunder; provided that, the Grantor shall not be required by any provision herein to evict a residential tenant. No delay in enforcing the provisions hereof as to any breach or violation shall impair, damage, or waive the right of any party entitled to enforce the provisions hereof or to obtain

relief against or recover for the continuation or repetition of such breach or violations or any similar breach or violation hereof at any later time.

UNOFFICIAL DOCUMENT

ATTACHMENT B
Contract Number: 19-94110-018
Housing Authority of Skagit County Family Housing

Multi-Family Target Population to be Served by Project Once Project is Placed in Service

AMI Counties and Area	
County	AMI Area
Skagit	Mount Vernon-Anacortes, WA Metropolitan Statistical Area

Income Levels			Multi-Family Population Types and Unit Count			
AMI %	Multi-Family Units/Beds	Homeless Multi-Family Units/Beds	Population Type	Not Homeless at Entry	Homeless at Entry	Permanent Supportive Housing
At or Below 30%	17	8	Farmworkers	38		
At or Below 50%	25		Multiple Special Needs	4		
Unrestricted Common Area Unit	1		Veterans		8	
			Unrestricted Common Area Unit	1		
Totals =	43	8	Totals =	43	8	0
GRAND TOTAL =	51		GRAND TOTAL =	51		0

"Homeless person" means an individual living outside or in a building not meant for human habitation or which they have no legal right to occupy, in an emergency shelter, or in a temporary housing program which may include a transitional and supportive housing program if habitation time limits exist. This definition includes substance abusers, people with mental illness, and sex offenders who are homeless. (RCW 43.185C.010)

"Permanent supportive housing" is subsidized, leased housing with no limit on length of stay that prioritizes people who need comprehensive support services to retain tenancy and utilizes admissions practices to use lower barriers to entry than would be typical for other subsidized or unsubsidized rental housing, especially related to rental history, criminal history, and personal behaviors. Permanent supportive housing is paired with on-site or off-site voluntary services designed to support a person living with a complex and disabling behavioral health or physical health condition who was experiencing homelessness or was at imminent risk of homelessness prior to moving into housing to retain their housing and be a successful tenant in a housing arrangement, improve the resident's health status, and connect the resident of the housing with community-based health care, treatment, or employment services. Permanent supportive housing is subject to all of the rights and responsibilities defined in chapter 59.18 RCW. (RCW 36.70A.030)