

**Return Address:**

Tomasi Salyer Martin  
Attention: Emily Busse  
121 SW Morrison St., Suite 1850  
Portland, OR 97204

LAND TITLE & ESCROW  
Order No. 02-183720-OE

**PRIORITY AND SUBORDINATION AGREEMENT**  
*(Anacortes Family Center – Landing Apartments)*

**Grantors:** THE STATE OF WASHINGTON DEPARTMENT OF COMMERCE;  
BANNER BANK;  
SKAGIT COUNTY, WASHINGTON;  
CITY OF ANACORTES, WASHINGTON;  
ANACORTES FAMILY CENTER, A WASHINGTON NON-PROFIT  
CORPORATION

**Grantees:** THE STATE OF WASHINGTON DEPARTMENT OF COMMERCE;  
BANNER BANK;  
SKAGIT COUNTY, WASHINGTON;  
CITY OF ANACORTES, WASHINGTON

**Abbrev. Legal Description:** Lots 10 to 15, Block 6, Hensler's First Addition to the City of Anacortes,  
Skagit County, Washington (see Exhibit "A" for full legal)

**APN:** 3794-006-015-0004, P57346; 3794-006-013-0006, P57345; 3794-006-012-0007, P57344

**Reference Numbers:** County Affordable Housing Covenant: 201811070023 and 201909270015  
City Affordable Housing Covenant: 202112140002 \_\_\_\_\_;  
Bank Deed of Trust: 202112220019;  
State Deed of Trust: 202111290001;

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SKAGIT COUNTY  
Contract # C20210636  
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**THIS PRIORITY AND SUBORDINATION AGREEMENT** ("Agreement") is made as of December 1, 2021, by and among the following parties: the **WASHINGTON STATE DEPARTMENT OF COMMERCE**, a public body corporate and politic and instrumentality of the State of Washington ("State"); **BANNER BANK**, as member bank of FHLB and a Washington state-chartered bank ("Bank"); **SKAGIT COUNTY, WASHINGTON** ("County"); **CITY OF ANACORTES, WASHINGTON**, a municipal corporation of the State of Washington ("City"); and **ANACORTES FAMILY CENTER**, a Washington nonprofit corporation ("Borrower"). The Bank and State are referred to collectively as the "Lenders" and each individually, a "Lender" in each case so long as such party's deed of trust remains in effect as a lien on the Property (defined below).

This Agreement is made with reference to the following facts:

### RECITALS

**A. Borrower's Interest.** The Borrower is the owner of the real property located in Skagit County, Washington, (referred to herein, together with all improvements now or hereafter thereon, as the "Property"), legally described in **Exhibit A** hereto. The term "Property" as used herein shall include only the Property described in Exhibit A and all improvements now or hereafter on that property and all personal property granted as security for any of the loans referred to below. The Lenders have provided or committed to provide financial assistance for the financing of the development of a 21-unit affordable housing project with an early learning center (the "Project").

**B. Bank's Interest.** The Bank has made a loan to the Borrower in the amount of \$4,100,000.00 (the "Bank Loan"). The Bank Loan is made pursuant to that certain Construction and Term Loan Agreement. The Bank Loan is evidenced by that certain Promissory Note, dated as of December 1, 2021, in the amount of \$4,100,000.00 (the "Bank Note"). The Bank Note is secured by, among other security documents, that certain Deed of Trust dated as of December 1, 2021, naming UPF Washington, Incorporated, as trustee and recorded under recording number 202112220019 (the "Bank Deed of Trust"). All documents identified in this paragraph B and all other documents executed by the Borrower in connection with the Bank Loan are referred to collectively as the "Bank Loan Documents."

**C. State's Interest.** The State and Borrower entered into that certain Community Capital Facilities Unit Grant Agreement #20-96624-202 dated as of November 3, 2021 ("State Contract"). Pursuant to the State Contract, the Borrower executed a Promissory Note dated November 2, 2021 in the amount of \$396,730.00 ("State Note"). The State Note is secured by that certain Deed of Trust executed by the Borrower, dated as of November 2, 2021, naming Land Title and Escrow Company as trustee, and recorded under Skagit County recording number 202111290001 ("State Deed of Trust"). The documents referenced in this Paragraph C, and any other documents executed by the State and the Borrower in connection therewith, are collectively, the "State Loan Documents".

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**D. Skagit County's Interests:** The Property was made available to the Borrower with the aid of funds from Skagit County Real Estate Excise Tax for residential purposes ("Tax Funds"). In connection with the Tax Funds, the Borrower has executed an Affordable Housing Covenant in favor of the County recorded November 7, 2018, in the official records of Skagit County, Washington, as Auditor's No. 201811070023, and Borrower has executed an Affordable Housing Covenant in favor of the County recorded September 27, 2019, in the official records of Skagit County, Washington, as Auditor No. 201909270015 (collectively, the "County Affordable Housing Covenant").

**E. City's Interests:** The Borrower has requested partial exemption of impact fees and wavier of general facility fees as provided in the City's Municipal Code Sections 3.93.060 and 13.44.010 with regard to the Project ("Fee Reduction and Waiver"). In connection with the Fee Reduction and Wavier, the Borrower has executed an Affordable Housing Covenant in favor of City dated December 14, 2021, recorded December 14, 2021 in the official records of Skagit County, Washington, as Auditor's No. 202112140002 (the "City Affordable Housing Covenant").

**F. Purpose.** The parties wish to enter into this Agreement in order to establish their relative rights and priorities regarding the Property, all as more fully set forth herein.

The deeds of trust described in Recitals B and C above shall be referred to collectively hereinafter as the "Deeds of Trust," and individually, a "Deed of Trust." The covenants described in Recitals D and E above shall be referred to collectively hereinafter as the "Covenants" and individually, a "Covenant." All of the documents discussed in the Recitals section of this Agreement are collectively referred to as the "Documents" and the information and definitions contained in the Recitals are acknowledged by the parties to be an incorporated, integral part of this Agreement.

## AGREEMENT

NOW, THEREFORE, in consideration of the mutual agreements and undertakings herein contained, the parties agree as follows:

**1. PRIORITIES.** The Parties hereto agree that the Documents, instruments and rights identified and described above, regardless of recording order, and together with any UCC-1 financing statements filed by each Lender in connection with its loan shall have priority in the order set forth below in this Section, with the most senior of the respective documents and instruments listed first, and each Party intentionally and unconditionally subordinates the lien or charge of the Document to which it is a party or beneficiary in favor of the lien or charge upon the Property of the other Documents to the extent necessary to have the relative priority set forth below:

### 1. County Affordable Housing Covenant

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2. City Affordable Housing Covenant
3. Bank Deed of Trust
4. State Deed of Trust

The liens, rights and interests of the Lenders created under the Documents with a lesser priority to the Bank Deed of Trust are hereby made subordinate and subject to the lien, security interest, and all other rights granted to Bank under the Bank Deed of Trust with respect to all sums due or to become due under the Bank Loan, including, without limitation, interest and all present and future advances made by Bank thereunder, regardless of whether such advances are deemed to be mandatory or optional, and all subsequent modification, extensions, renewals, and replacements of the Bank Loan Documents, including but not limited to: (1) the total principal amount outstanding secured by the Bank Deed of Trust; (2) all amounts expended by Bank to pay taxes, assessments, prior liens, or insurance premiums on behalf of Borrower and all amounts otherwise expended by Bank to protect Bank's interests under the Bank Deed of Trust or other Bank Loan Documents or expended by Bank in connection with the protection or preservation of any security given Bank with respect to the Bank Loan; (3) any costs, fees or late charges incurred by Borrower as a result of a default under the Bank Loan Documents; (4) any costs or fees incurred by Bank as a result of a default under the Bank Loan Documents; and (5) interest on (1) through (4), above.

The parties agree that the Lenders do not have any obligation to each other or to the Borrower to advance funds or to see to the application of their respective loan proceeds and that any application of such proceeds contrary to the terms of any loan documents shall not defeat the subordinations granted herein in whole or in part.

The priorities and subordinations provided herein are intended to cover all interests and benefits in the Property, including but not limited to, all rents, leases, profits, insurance proceeds, condemnations and other profits and benefits related thereto, and the Borrower and Lenders agree that all monetary rights therein, including the right to collect and apply such amounts, shall be collected and applied in accordance with the terms of the Bank Loan Documents until such time as the Bank Note is repaid in full.

Nothing herein shall be construed as agreement by any Lender that any sale or transfer of the Property or part thereof pursuant to any provision of any covenant or regulatory agreement described herein, or under any agreement made pursuant to any such provision, will convey title clear of the lien of the Lender's deed of trust.

The Borrower agrees that it shall not have any rights to the lien position of the Bank, whether by subrogation, assignment, or otherwise, based upon any payment of any other amounts secured by the Bank Deed of Trust or any other liens on the Property.

Notwithstanding anything to the contrary in the Covenants or the State Loan Documents, but subject to the terms of this Agreement, a foreclosure or deed in lieu of foreclosure of the Bank

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Deed of Trust shall not require the prior written consent of the State; provided, however, that the Bank shall provide concurrent notice to the State of any default notice to the Borrower.

**2. RELIANCE BY LENDERS; CONSENT.** It is understood by the parties hereto that the Lenders would not enter into their respective Documents without this Agreement. Borrower consents to all terms hereof.

**3. INSURANCE OR CONDEMNATION PROCEEDS.** Notwithstanding any provision of any Lender's Deed of Trust or other loan document to the contrary, in the event of any damage to, destruction of, or taking or condemnation (including deed in lieu thereof) of the Property or any portion thereof, any insurance or condemnation proceeds shall be applied first to repair or restoration of the Property and any amounts secured by any party's Deed of Trust shall not be accelerated as a result of any casualty loss or condemnation, unless:

- a. at the time of the casualty loss or condemnation, there is an Event of Default under the Bank Loan Documents;
- b. after consultation among the Lenders, the Lenders determine that repair or restoration of the Property is not feasible or that adequate funds are not available therefore, which determination shall occur no later than fourteen (14) days after consultation among the Lenders;
- c. after consultation among the Lenders, Bank determines that the conditions for permitting release of proceeds for repair, completion or restoration set forth in the Bank Deed of Trust have not been met; or
- d. as of the date of casualty or condemnation less than two (2) years remains before the maturity of the debt secured by any Lender's Deed of Trust;

provided that such repair or restoration proceeds with reasonable dispatch once condemnation or insurance proceeds are available. Any funds to be applied to repair or restoration shall be held and administered by Bank in accordance with the Bank Loan Documents, and Bank shall be entitled to reasonable compensation for its services in connection with the administration of such funds, as set forth in the Bank Loan Documents, provided that if applicable law does not permit a Lender to hold such proceeds then Bank, shall have the right to designate an insurance trustee to administer the proceeds consistent with the Bank Loan Documents subject to applicable law. The Bank shall provide an accounting of such funds and status of repairs to the other Lenders.

**4. CROSS DEFAULTS.** Any default under any of the Lender's loan documents, after notice of default shall have been given thereunder, and that is not cured or waived within the applicable cure period set forth therein, shall constitute an event of default under the other Lenders' loan documents at the option of such applicable Lender ("Cross-default"). Unless and until there shall be a Cross-default under this Section, each Lender agrees not to accelerate indebtedness of the Borrower or seek remedies under loan documents against the Borrower or the Property (other than

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the withholding of further disbursement of loan proceeds until such default or breach is cured) based solely upon a breach or default by the Borrower under another Lender's documents described herein.

**5. PAYMENT SUBORDINATION; SUBORDINATE LENDERS' AGREEMENT TO STANDSTILL.** Each Lender other than the Bank (each a "Subordinate Lender") for itself, its successors, and assigns (including, without limitation, all subsequent holders of the respective subordinate loan documents) does hereby agree that, notwithstanding anything provided in such Subordinate Lender's loan documents to the contrary (the "Subordinate Loan Documents"), so long as any obligations under the Bank Loan Documents remain outstanding ("Bank Obligations"), unless Bank shall otherwise consent in writing, no prepayment under the Subordinate Loan Documents (other than cash flow contingent payments due and payable pursuant to the State Contract) ("Subordinate Lender Obligations") shall be made; provided, however, that for so long as Borrower satisfies the debt service coverage ratio requirement set forth in the Bank Loan Documents, and provided that no event of default has occurred and is continuing under the Bank Loan Documents, prepayments shall be allowed under the Subordinate Loan Documents. During such time as an event of default occurs and is continuing under the Bank Loan Documents and the Bank delivers notice of such default to the Subordinate Lender, unless Bank shall otherwise consent in writing, no payments shall be made on the Subordinate Lender Obligations. In the event that any payment is made to a Subordinate Lender on account of the principal, interest, fees, or other amounts on or with respect to the Subordinate Lender Obligations which is not permitted hereunder, such payment may be either rejected by the Subordinate Lender and returned back to Borrower, or shall be held by Subordinate Lender in trust for the benefit of Bank and shall be paid forthwith over and delivered to: a) in the event that the Bank has commenced a non-judicial foreclosure of the Bank Trust Deed, to the trustee under the Bank Deed of Trust, for application as allowed under the Deed of Trust and applicable law; or b) if no non-judicial foreclosure proceeding has been commenced, to the Bank for application to the Bank Note obligations remaining unpaid.

Until the Bank Note has been repaid in full, each Subordinate Lender agrees for the benefit of Bank that if a default occurs and is continuing under such Subordinate Lender's Subordinate Loan Documents, the applicable Subordinate Lender shall not, without giving notice to the Bank as set forth below, accelerate its respective loan, commence foreclosure proceedings with respect to the Property, appoint (or seek the appointment of) a receiver or institute any other enforcement action with respect to the Property, except as set forth below in this Section. If after sixty (60) days following delivery of notice from a Subordinate Lender to Bank of a default under the applicable Subordinate Loan Documents and of the Subordinate Lender's desire to pursue remedies thereunder, such default has not been cured and Bank has not commenced proceedings to foreclose on the Bank Deed of Trust, or if one hundred eighty (180) days after such notice there has not been a sale or deed in lieu of foreclosure pursuant to the Bank Deed of Trust, the applicable Subordinate Lender may accelerate its loan or commence and pursue foreclosure or other remedies against the Property, or both, and may then seek appointment of a receiver (unless Bank shall have already caused a receiver to be appointed). Nothing in this Section shall limit the exercise by a Subordinate

Lender of remedies (other than appointment of a receiver) solely to enforce any Covenant having priority over the Bank Deed of Trust under the terms hereof.

6. **ACTIONS BY BANK; CERTAIN WAIVERS.** Bank, without the consent of or notice to the Subordinate Lenders, may enter into any amendments of the Bank Loan Documents, release any or all parties liable for any obligation secured by the Bank Loan Documents, or release any or all security for the obligations secured by the Bank Loan Documents, all without affecting the subordinations under this Agreement. Subordinate Lenders waive any right to require marshaling of assets or to require Bank to proceed against or exhaust any specific security for the obligations secured by the Bank Loan Documents, and waive any defense arising out of the loss or impairment of any right of subrogation to the lien of the Bank Loan Documents. However, Bank agrees not to voluntarily subordinate the lien of the Bank Deed of Trust or any portion thereof to any other liens or encumbrances on the Property without the written consent of the Subordinate Lenders and Borrower which consent may consist of Borrower's granting such lien or encumbrance, and such Subordinate Lenders' subordination to the same lien or encumbrance.

7. **RENTS.** All Lenders understand that the Borrower has assigned all leases, income, rents, and profits of the Property in connection with the Bank Loan Documents. The parties agree that upon an Event of Default under the Bank Loan Documents, Bank shall have the absolute right to collect all rents and profits from the Property as provided in the Bank Loan Documents.

8. **MISCELLANEOUS.**

- a. **Entire Agreement.** This Agreement comprises the entire agreement among the parties with respect to the priority of each party's liens upon and interests in the Property and all prior understandings of agreements on that subject are superseded hereby.
- b. **Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington, without regard to any principles of conflicts of laws.
- c. **Successors; Assignment.** This Agreement is for the benefit of the Commission and the Lenders and their respective successors and assigns, in each case for so long as such party's Deed of Trust or covenant, or both, remains in effect with respect to the Property or any part thereof, and any provision hereof may be waived or modified by agreement of the County, the Bank, and the State (or by any two or more of them, if the others are unaffected thereby) without the consent of the Borrower. The assigns and successors-in-interest of any of the parties hereto shall be bound by this Agreement. This Agreement may be assigned by a party only as a part of an assignment of a party's interest in the Property or its loan documents.
- d. **Notices.** All notices to be given pursuant to this Agreement shall be in writing and shall be deemed given when hand-delivered within normal business hours, when actually received by facsimile transmission during normal business hours, or two (2) business days after

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deposited in the U.S. mail, postage prepaid, to the parties hereto at the addresses set forth on their respective signature pages, or to such other place as a party may from time to time designate in writing. No transferee or successor of a party hereto shall be entitled to notices or opportunity to cure defaults hereunder unless notice of the transfer is given in accordance with this subsection.

- e. **Amendment.** This Agreement may be amended only by a writing signed by each party affected by the amendment, but this clause shall not impair the validity of any further agreements among fewer than all of the parties hereto as among themselves.
- f. **Counterparts.** This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and whether or not all parties execute each counterpart.
- g. **Completion of Recording Information.** If this Agreement is signed without completion of certain recording information called for above, any party hereto or any title insurance company acting on the instructions of any party is hereby authorized to insert such information prior to recording this Agreement.
- h. **Consent to Other Parties' Loan Documents.** By executing this Agreement, each party hereby acknowledges and consents to the execution of, and where appropriate, the recording of the Documents. Notwithstanding such consent, the terms hereof, the terms of any such Documents, and the acceptance by Lenders of their respective liens and other rights and interests under these Documents, a Lender shall not, prior to any acquisition of title to the Property by such Lender, be liable or responsible for any obligation of the Borrower under such Documents, or of any "Owner" as defined in any such documents.

**ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, TO EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW**

[Remainder of this page blank, Signature Pages to follow]



IN WITNESS WHEREOF, the parties hereto have entered into this Priority and Subordination Agreement as of the day and year first above written.

**BORROWER:**

**ANACORTES FAMILY CENTER,**  
a Washington NONPROFIT CORPORATION

By: [Signature]  
Dustin Johnson, Executive Director

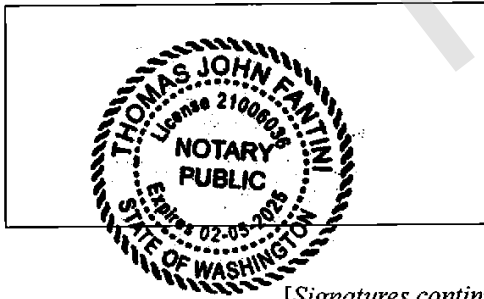
**Address for Notice:**

**ANACORTES FAMILY CENTER**  
Attention: Executive Director  
2702 Commercial Avenue  
Anacortes, WA 98221

STATE OF WASHINGTON )  
COUNTY OF SKAGIT ) ss.

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, on oath stated that he was authorized to execute the instrument and acknowledged it as the Executive Director of **Anacortes Family Center**, a Washington nonprofit corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: 12-15-2021



[Signature]  
Print Name: Thomas J Fantini  
Residing at: Peoples Bank Anacortes  
My appointment expires: 02-05-2025

[Signatures continue on following page.]

**STATE:**

WASHINGTON STATE DEPARTMENT OF  
COMMERCE, a department of the State of  
Washington

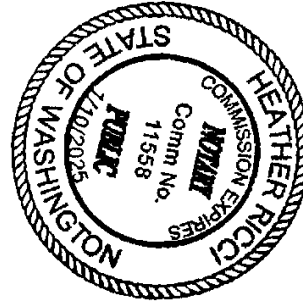
**Address for Notice:**

Washington State Department of Commerce  
1011 Plum Street SE  
Olympia, WA 98504-2525

By: 

Name: Mark K. Barkley

Title: Assistant Director, Local Government  
Division

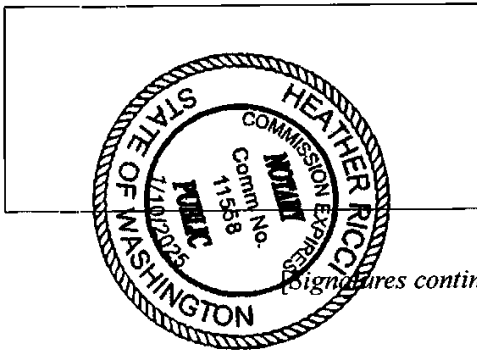


STATE OF WASHINGTON  
COUNTY OF THURSTON

SS.

I certify that I know or have satisfactory evidence that Mark K. Barkley is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the Assistant Director of the Local Government Division of the **WASHINGTON STATE DEPARTMENT OF COMMERCE**, a department of the state of Washington, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

In Witness Whereof I have hereunto set my hand and affixed my official seal the 8<sup>th</sup> day of Dec, 2021.

Print Name: Heather RicciResiding at: OlympiaMy appointment expires: 11/10/25

[Signatures continue on following page.]

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Anacortes Family Center

Signature Page

**BANK:**

**BANNER BANK,**  
a Washington state-chartered bank

By: Dustin Koons  
Dustin Koons, Vice President

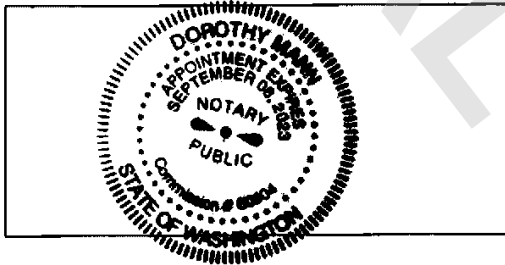
**Address for Notice:**

Banner Bank  
Attention: Louise Eller  
5930 Granite Lake Drive, Suite 170  
Granite Bay, CA 95746

STATE OF WASHINGTON )  
COUNTY OF King } ss.

I certify that I know or have satisfactory evidence that **Dustin Koons** is the person who appeared before me and said person acknowledged that (s)he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a Vice President of **Banner Bank**, a Washington state-chartered bank, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: 12/17/2021.



Dorothy Mann  
Print Name: Dorothy Mann  
Residing at: King County  
My appointment expires: 09/08/2023

[Signatures continue on following page.]

## COUNTY:

SKAGIT COUNTY, a County of the State of  
Washington

## Address for Notice:

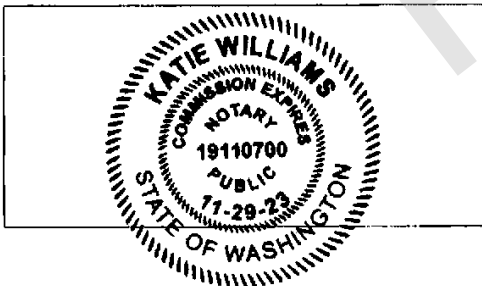
Skagit County Public Health  
700 South 2<sup>nd</sup> Street  
Mount Vernon, WA 98273

By: Trisha Logue  
Name: Trisha Logue  
Title: County Administrator

STATE OF WASHINGTON )  
COUNTY OF SKAGIT ) ss.

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, on oath stated that (s)he was authorized to execute the instrument and acknowledged it as the Administrator of Skagit County, Washington, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: December 20, 2021.



Katie Williams

Print Name: Katie Williams

Residing at: Skagit County

My appointment expires: 11-29-2023

[Signatures continue on following page.]

**CITY:**

CITY OF ANACORTES, a Municipal  
Corporation of the State of Washington

**Address for Notice:**

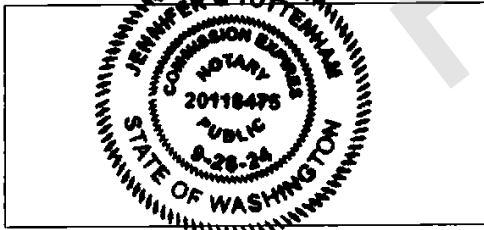
City of Anacortes  
Attn: Emily Morgan  
P.O. Box 547  
Anacortes, WA 98221

By: [Signature]  
Name: Laure Gere  
Title: Mayor

STATE OF Washington } ss.  
COUNTY OF Skagit }

I certify that I know or have satisfactory evidence that Laure Gere is the person who appeared before me and said person acknowledged that (s)he signed this instrument, on oath stated that (s)he was authorized to execute the instrument and acknowledged it as the Mayor of City of Anacortes, Washington, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: 12-14-2021



[Signature]  
Print Name: Jennifer G. Tottenham  
Residing at: Anacortes, Skagit County, WA  
My appointment expires: 9/22/24

**EXHIBIT A**

**Legal Description of Property**

**PARCEL "A":**

Lots 10, 11 and 12, 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.

Situate in the City of Anacortes, County of Skagit, State of Washington.

**PARCEL "B":**

Lot 13, 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.

Situate in the City of Anacortes, County of Skagit, State of Washington.

**PARCEL "C":**

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.

Situate in the City of Anacortes, County of Skagit, State of Washington



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
08/11/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Scott Richards Insurance Inc. 1116 12th St Anacortes WA 98221		<b>CONTACT NAME:</b> Celine Sala <b>PHONE (A/C No, Ext):</b> (360) 293-5156 <b>FAX (A/C No):</b> <b>EMAIL:</b> celsa@scotrichards.com <b>ADDRESS:</b>	
<b>INSURED</b> Anacortes Family Center 2702 Commercial Ave Anacortes WA 98221		<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Philadelphia Insurance Companies <b>INSURER B:</b> Scottsdale Indemnity Company <b>INSURER C:</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>	

<b>COVERAGES</b>		<b>CERTIFICATE NUMBER:</b> CL2171213601		<b>REVISION NUMBER:</b>		
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.						
INSURER	TYPE OF INSURANCE	ADDL. SUBR. RSP. WVD	POLICY NUMBER	POLICY EFF. (MM/DD/YYYY)	POLICY EXP. (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:		PHPK2285568	06/13/2021	08/13/2022	EACH OCCURRENCE \$ 1,000,000 SALES OF TO RENTED PREMISES (per occurrence) \$ 100,000 MED EXP (per one person) \$ 5,000 PERSONAL & AUTO INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPOUND \$ 2,000,000
A	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY		PHPK2285569	06/13/2021	08/13/2022	COMBINED SINGLE LIMIT (per accident) \$ 1,000,000 BODILY INJURY (per person) \$ BODILY INJURY (per accident) \$ PROPERTY DAMAGE (per accident) \$ Medical payments \$ 5,000
A	<b>UMBRELLA LIAB.</b> <input type="checkbox"/> EXCESS LIAB. <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED. RETENTION \$ WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in MI) If yes, describe under DESCRIPTION OF OPERATIONS below		PHU8771589	06/13/2021	09/13/2022	EACH OCCURRENCE \$ AGGREGATE \$ PER STATUTE <input checked="" type="checkbox"/> OTHER WA Stop Gap E1. EACH ACCIDENT \$ 1,000,000 E1. DISEASE - EA EMPLOYEE \$ 1,000,000 E1. DISEASE - POLICY LIMIT \$ 1,000,000 D&O \$1,000,000 Fidelity Coverage \$1,000,000 Employment Practices \$1,000,000
B	<b>Directors &amp; Officers Liability</b>		EK33368539	03/04/2021	03/04/2022	
<b>DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES</b> (ACORD 101, Additional Remarks Schedule, may be attached if more space is required) For any party seeking Additional Insured Status, please refer to the attached pages of CG form: PI-GLD-HS that refer to Additional Insureds.						

<b>CERTIFICATE HOLDER</b> Skagit County WA, Its Elected Officials, Officers & Employees 1800 Continental Place, Suite 100 Mount Vernon WA 98273	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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DATED this 20 day of December, 2021.

BOARD OF COUNTY COMMISSIONERS  
SKAGIT COUNTY, WASHINGTON

Lisa Janicki  
Lisa Janicki, Chair

Peter Browning, Commissioner

Ron Wesen  
Ron Wesen, Commissioner

Attest:

Kate Williams  
Clerk of the Board

For contracts under \$5,000:  
Authorization per Resolution R20030146

Recommended:

Jennifer Johnson  
Department Head

County Administrator

Approved as to form:

Je T B Ke  
Civil Deputy Prosecuting Attorney

Approved as to indemnification:

Bonnie Beddall  
Risk Manager

Approved as to budget:

Lisha Logne  
Budget & Finance Director