

RETURN ADDRESS:
Anacortes Manor LLC
10700 NE 4th St #2916
Bellevue, WA 98004

**CHICAGO TITLE
620053579**

Document Title(s) (or transactions contained therein): 1. Section 8 Use Agreement
Reference Number(s) of Documents assigned or released:
Grantor(s) (Last name first, then first name and initials) 1. Anacortes Manor, LLC <input type="checkbox"/> Additional names on page 1 of document.
Grantee(s) (Last name first, then first name and initials) 1. United States of America, Secretary of Housing and Urban Development <input type="checkbox"/> Additional names on page _____ of document.
Legal description (abbreviated: i.e. lot, block, plat or section, township, range) PTN. SE 1/4, SEC. 24-35-1E, W.M. <input checked="" type="checkbox"/> Additional legal on page 9 of document.
Assessor's Property Tax Parcel/Account Number P31918 / 350124-0-140-0001 <input checked="" type="checkbox"/> Additional legal on page 9 of document.
<input type="checkbox"/> Emergency nonstandard document recording: I am requesting an emergency nonstandard recording for an additional fee as provided in RCW 36.18.010. I understand that the recording processing requirement may cover up or otherwise obscure some part of the text of the original document.
Signature _____ The Auditor/Recorder will rely on the information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

Use Agreement	U.S. Department of Housing and Urban Development Office of Housing Federal Housing Commissioner	OMB Approval No. 2502-0587
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Public Reporting Burden
Public reporting burden for this collection of information is estimated to average .5 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required to obtain benefits. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

Title V of the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act of 1988 (P.L. 106-65, 111 Stat. 1384) authorizes the FHA Multifamily Housing Mortgage and Housing Assistance Restructuring Program. HUD implemented a statutory permanent program directed at FHA-insured multifamily projects that have project-based Section 8 contracts with above-market rents. The information collection is used to determine criteria eligibility of FHA-insured multifamily properties for participation in the Mark to Market program and the terms on which participation should occur. The purpose of the program is to preserve low-income rental housing affordability while reducing the long-term costs of Federal rental assistance. While no assurances of confidentiality are pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information request.

Section 8 Use Agreement

* ~~February~~ This Section 8 Use Agreement ("Agreement"), made this ^{11th} ~~15th~~ day of ~~February~~ 2024, by and between the **United States of America, Secretary of Housing and Urban Development** ("HUD") and Anacortes Manor LLC, a Washington limited liability company ("Owner"), the owner of Anacortes Manor, HAP Contract Number WA190014006 ("Project"), provides as follows:

^{January} WHEREAS, the Owner or a prior owner and the Contract Administrator (HUD or a Public Housing Agency, acting under an Annual Contributions Contract with HUD), previously entered into a project-based Housing Assistance Payments ("HAP") contract pursuant to section 8 of the United States Housing Act of 1937, as amended, 42 U.S.C. § 1437f ("Act"), that has since terminated or expired;

WHEREAS, upon termination or expiration of a project-based section 8 HAP contract, HUD is authorized pursuant to section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997, as amended, 42 U.S.C. 1437f note ("MAHRA"), to renew the contract on such terms and conditions as HUD considers appropriate, subject to the requirements of section 524 of MAHRA;

WHEREAS, the Owner and the Contract Administrator have entered or will enter into a renewal contract pursuant to section 524 of MAHRA ("Renewal Contract"), renewing the HAP contract for a term of twenty (20) years, subject to annual appropriations; and

WHEREAS, the Contract Administrator's agreement to enter into the Renewal Contract was conditioned on the requirement that the Owner agree to maintain the Project as affordable housing for low-income families for a period of twenty (20) years, as required in this Agreement.

HUD-90055

NOW THEREFORE, in consideration of the mutual promises set forth herein and of other valuable consideration, HUD and the Owner, for itself, its successors and assigns, hereby agree as follows:

1. **Term.** The term of the Agreement shall be twenty (20) years and shall commence on the date reflected in first sentence of the Agreement on page 1.
2. **Governing Authorities.** The project shall be operated in accordance with the requirements of section 8 of the Act, all applicable Federal regulations, the Renewal Contract, and all other applicable HUD requirements.
3. **Use Restriction and Tenant Incomes.** The HAP-assisted units within this Project shall be used solely as rental housing for tenants meeting the eligibility and income-targeting requirements that govern the HAP Contract. In the event that the HAP Contract is terminated (e.g., because of breach or non-compliance by the Owner), for the remainder of the term of the Agreement, new tenants must have incomes at or below 80 percent of the average median income (AMI) at the time of admission, applicable to all units previously covered under the HAP contract.
4. **Subordination.** Any mortgage liens will be subject to this Agreement. This Agreement will survive foreclosure and bankruptcy.
5. **Fair Housing and Civil Rights Requirements.** Compliance with all applicable fair housing and civil rights requirements, including the obligation to affirmatively further fair housing and the site selection and neighborhood standards requirements set forth in 24 CFR §§ 1.4(b)(3) and 941.202, as applicable, is required.
6. **Federal Accessibility Requirements.** Compliance with all applicable federal accessibility requirements under the Fair Housing Act and implementing regulations at 24 CFR Part 100, Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR Part 8, and Titles II and III of the Americans with Disabilities Act and implementing regulations at 28 CFR Parts 35 and 36, respectively, is required.
7. **Execution of Other Agreements.** The Owner agrees that it has not and will not execute any other agreement with provisions contradictory of, or in opposition to, the provisions of this Agreement, and that in any event, the provisions of this Agreement are paramount and controlling as to the rights and obligations set forth and supersede any conflicting requirements.
8. **Subsequent Statutory Amendments.** If revisions to this Agreement are necessitated by subsequent statutory amendments, the Owner agrees to execute modifications to this Agreement that are needed to conform to the statutory amendments. In the alternative, at HUD's option, HUD may implement any such statutory amendment through rulemaking.

9. **Tenant Participation.** The Owner agrees (a) not to impede the reasonable efforts of tenants to organize as detailed in 24 CFR Part 245, and (b) not to unreasonably withhold the use of any community room or other available space appropriate for meetings which is part of the Project when requested by (i) a resident tenant organization in connection with the representational purposes of the organization, or (ii) tenants residing in the Project who seek to organize or to consider collectively any matter pertaining to the operation of the Project.
10. **Conflicts.** Any conflicts between this Agreement and the HAP Contract shall be conclusively resolved by HUD.
11. **Recordation.** The Owner agrees to record this Use Agreement, or to cause it to be recorded, at the Owner's cost and expense in the appropriate land records within sixty (60) days of execution by HUD.
12. **Enforcement.** In the event of a breach or threatened breach of any of the provisions of this Agreement, the Secretary or his or her successors or delegates may institute proper legal action against the Owner or any of its successors or assigns to enforce performance of such provisions, to enjoin any acts in violation of such provisions, to recover whatever damages can be proven, and/or to obtain whatever other relief may be appropriate.
13. **Severability.** The invalidity, in whole or in part, of any of the provisions set forth in this Agreement shall not affect or invalidate any remaining provisions.
14. **Binding Nature of Agreement.** This Agreement shall be binding upon the Owners and all future successors and assigns.
15. **No Negotiation.** This Agreement is not subject to negotiation.

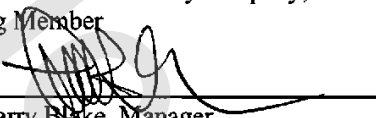
Signature Page

As evidenced by the signature below of their authorized representative, the Owner and HUD hereby agree to the terms of this Use Agreement.

OWNER:

ANACORTES MANOR LLC,
a Washington limited liability company

By: Anacortes Manor Manager LLC, a
Washington limited liability company, its
Managing Member

By: 
Larry Blake, Manager

[Signatures and acknowledgements continue on the following page.]

Appendix 15-1

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

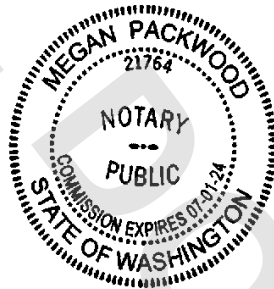
STATE OF Wa.)
) ss.
COUNTY OF King)

On January 11, 2024 before me, M. Packwood, Notary Public, personally appeared Larry Blake who proved to me on the basis of satisfactory evidence to be the person whose name is/are subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Wa. that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: [Handwritten Signature] (Seal)



Appendix 15-1

HUD:

UNITED STATES OF AMERICA SECRETARY OF
HOUSING AND URBAN DEVELOPMENT, acting by
and through the Federal Housing Commissioner

By: Eileen Hearty
Name: Eileen Hearty
Title: Asset Management Division Director/Satellite Office Coordinator
Multifamily West Region, Denver Satellite Office

Date: February 24, 2024

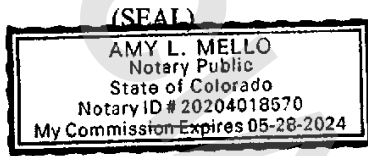
[Signatures and acknowledgments continue on the following page.]

Appendix 15-1

STATE OF COLORADO)
) SS:
CITY AND COUNTY OF DENVER)

On this day, before me, Amy Mello, a Notary Public in and for the aforesaid State, appeared Eileen Hearty, to me personally known and known to me to be the duly Authorized Agent of the Secretary of Housing and Urban Development, by and through the Assistant Secretary for Housing – Federal Housing Commissioner, and the person who executed the aforesaid instrument bearing the date of 14 February, 2024, and acknowledged that she executed the aforesaid instrument for and on behalf of the Secretary of Housing and Urban Development for the purposes herein.

Witness my hand and official seal this 14 day of February, 2024.



Amy Mello
Notary Public
My Commission Expires: 5-28-24

**EXHIBIT A
LEGAL DESCRIPTION**

That portion of the East 1/2 of the Southeast 1/4 of Section 24, Township 35 North, Range 1 East, W.M., described as follows:

BEGINNING at the East quarter corner of Section 24, Township 35 North, Range 1 East W.M.; thence South $0^{\circ} 59' 30''$ East along the East Line of said Section, 664.81 feet to the South line of the North 1/2 of the North 1/2 of the Southeast 1/4 of said Section; thence South $89^{\circ} 47' 52''$ West along the South line of said North 1/2 of the North 1/2 of the Southeast 1/4, 226.14 feet to the true point of beginning of this description; thence continue South $89^{\circ} 47' 52''$ West to the East line of "N" Avenue produced South; thence North along the East line of "N" Avenue to the South line of 22nd Street; thence West along the South line of 22nd Street to the West line of "N" Avenue produced South; thence South along the West line of "N" Avenue and the East line of those two certain Tracts conveyed to the City of Anacortes by Deeds recorded under Auditor's File Nos. 550990 and 598656, a distance of 512 feet, more or less, to the North line of 24th Street, produced West; thence East along the North Line of 24th Street, produced to a point that bears South $0^{\circ} 01' 00''$ East from the true point of beginning; thence North $0^{\circ} 01' 00''$ West,

478.31 feet to the true point of beginning, excepting therefrom the following. & described Tracts:

(a) BEGINNING at the intersection of the South line of 22nd Street Produced with the West line of "N" Avenue produced; thence South along the West line of "N" Avenue produced, the same being the East line of that certain tract conveyed to the State of Washington (Military Department) by deed recorded December 1, 1960, under Auditor's File No. 601489, a distance of 312 feet, more or less, to a point 200 feet North of the North line of 24th Street produced; thence East parallel to the South line of 22nd Street produced 50 feet; thence North parallel to the West Line of "N" Avenue produced 312 feet, more or less, to the South line of 22nd Street produced; thence West along the South Line of 22nd Street produced 50 feet, more or less, to the point of beginning.

(b) BEGINNING at the East quarter corner of Section 24, Township 35 North, Range 1 East W.M.; thence South $0^{\circ} 59' 30''$ East along the East line of said Section, 664.81 feet to the South line of the North 1/2 of the North 1/2 of the Southeast 1/4 of said Section; thence South $89^{\circ} 47' 52''$ West along the South line of said North of the North 1/2 of the Southeast 1/4, 226.14 feet to the true point of beginning of this description; thence continue South $89^{\circ} 47' 52''$ West to the East line of "N" Avenue produced South; thence South along the East line of "N" Avenue produced 22 feet; thence North $89^{\circ} 47' 52''$ East to a point that bears South $0^{\circ} 01' 00''$ East from the true point of beginning; thence North $0^{\circ} 01' 00''$ West, 22 feet, more or Less, to the true point of beginning.

TOGETHER WITH a non-exclusive easement for travel purposes, over, along and across the East, 24 feet of the premises as described in the excepted Tract designated as Parcel (a) above and as reserved by the vestees therein Under instrument dated September 7, 1962 and recorded under Auditor's File No. 627651.

Situate in the County of Skagit, State of Washington

HUD-90055