

When Recorded Return To:

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

Attention: MHU Contracts/Fiscal - HTF

LOW INCOME HOUSING COVENANT AGREEMENT

| | | |
|----------------------------------|--|---------------|
| Grantor (Borrower): | Northwest Youth Services | Chicago Title |
| Grantee (Lender): | Washington State Department of Commerce | 620056337 |
| Legal Description (abbreviated): | Ptn. Gov. Lot 9, Section 19, Township 34 North, Range 4 East | |
| Assessor's Tax Parcel ID#: | P26595/340419-0-244-0001 | |
| Contract Number: | 22RC-94120-018 | |

THIS LOW INCOME HOUSING COVENANT AGREEMENT (the "Covenant") is made by Northwest Youth Services, a Washington nonprofit corporation ("Grantor"), and is part of the consideration for the financial assistance provided by the Washington State Department of Commerce, an agency of the State of Washington ("Grantee"), to Northwest Youth Services pursuant to Housing Trust Fund (HTF) Contract Number 22RC-94120-018 (the "Contract"), for the acquisition of real property legally described as follows:

That portion of Government Lot 9 in Section 19, Township 34 North, Range 4 East W.M., described as follows:

Beginning at a point 1,395 feet North and 30 feet West of the Quarter corner between Sections 19 and 20, in Township 34 North, Range 4 East, W.M.; Thence West 118.32 feet; Thence North 60 feet; Thence East 118.32 feet; Thence South 60 feet to the point of beginning. Situated 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 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 July 16, 2024 and ending July 15, 2064. 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. The five (5) beds in the Property will be occupied by households that at the time of initial occupancy have gross annual household incomes at or below the Area Median Income (AMI) level(s) for the County and AMI Area identified in Exhibit A, attached hereto. Rent for each HTF unit may not exceed the current HTF rent limit for the AMI of the target population(s) identified in Exhibit A, as adjusted for unit size and published annually by the Grantee. The HTF rent limit is a gross rent limit. The total of rent paid plus the allowance for tenant-paid utilities may not exceed the applicable HTF rent limit.

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 Grantee may reasonably require.

4. **DEFAULT:** If a violation of this Covenant occurs, the Grantee, or its successor agency, may, after thirty (30) days' notice to the Grantor, 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 qualifying 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.

[SIGNATURE AND NOTARY BLOCKS FOLLOW]

IN WITNESS HEREOF, Northwest Youth Services has executed this Covenant on the 10th day of July 2024.

NORTHWEST YOUTH SERVICES,
a Washington nonprofit corporation

By: [Signature]

Printed Name: Jason McGill

Title: Executive Director

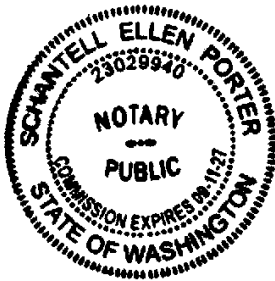
STATE OF WASHINGTON)
) ss.
COUNTY OF WHATCOM)

On this 10th day of July 2024, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Jason McGill, to me personally known (or proved to me on the basis of satisfactory evidence) to be the Executive Director of **Northwest Youth Services**, a Washington nonprofit corporation, and acknowledged said instrument to be the free and voluntary act and deed of such corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute the said instrument.

(Seal or Stamp)

[Signature]
(Signature of Notary)

Schantell Ellen Porter
(Legibly Print or Stamp Name of Notary)



NOTARY PUBLIC in and for the State of Washington

My Commission Expires: 09-11-27

EXHIBIT A**TARGET POPULATION TO BE SERVED BY PROJECT**

The following target population shall be housed on the Property from the time the Project is Placed in Service through the end of the Contract Commitment Period.

| Table B-1. Area Median Income (AMI) Countdown Area | |
|---|--|
| County | AMI Area |
| Skagit | Mount Vernon-Anacortes, WA Metropolitan Statistical Area |

| Table B-2. Income Levels and Target Population | | | | | |
|---|-------------|-------------------------|------------------------------|--------------------------|-------------------------------------|
| Income Levels and Unit Counts | | Population Types | | | |
| % of Area Median Income | Beds | Population Type | Not Homeless at Entry | Homeless at Entry | Permanent Supportive Housing |
| At or Below 30% | 5 | Young Adult 18-24 | | 5 | |
| <i>Common Area Unit*</i> | | | | | |
| Total = | 5 | Total = | | 5 | 0 |
| GRAND TOTAL = | 5 | GRAND TOTAL = | | 5 | 0 |

* "Common Area Unit" is a unit which will not be income or rent restricted.

"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)