

AFTER RECORDING, RETURN TO:

Washington State Department of Commerce
Multifamily Housing Unit
1011 Plum Street SE
P.O. Box 42525
Olympia, WA 98504-2525

Attention: MHU Contracts/Fiscal - HTF

ASSIGNMENT, ASSUMPTION, RELEASE AND CONSENT AGREEMENT

GNW 21-13576

(Raspberry Ridge II)

GRANTOR (ASSIGNOR): **RASPBERRY RIDGE II LLC**

GRANTEE (ASSIGNEE): **HOUSING AUTHORITY OF SKAGIT COUNTY**

BENEFICIARY (LENDER): **WASHINGTON STATE DEPARTMENT OF COMMERCE**

LEGAL DESCRIPTION (ABBREVIATED): Ptn. Tracts 25 and 36 Burl. Acreage and Ptn. NW-SE and NE-SW of 33-35-04
(Full Legal Description on Exhibit A, page 10)

TAX PARCEL NO(S): P126054, P126057, P134896

CONTRACT NUMBER: 06-94100-053

REFERENCE NO(S):

Document Title	Recording Number
Assignment, Assumption and Consent Agreement	200710100064
Low Income Housing Covenant Agreement	200706260084
First Amended and Restated Low Income Housing Covenant Agreement	200906090027
Deed of Trust (Rerecorded)	200710100063
First Amended and Restated Deed of Trust	200906090028
Subordination Agreement	200909030076
Omnibus Amendment (Rerecorded)	200710100065

THIS ASSIGNMENT, ASSUMPTION, RELEASE AND CONSENT AGREEMENT ("Assumption Agreement") is entered into as of this 03 day of December 2024, by and among **RASPBERRY RIDGE II LLC**, a Washington limited liability company with its principal offices at 20282 Lafayette Road, Burlington, Washington 98233 ("Assignor"), **HOUSING AUTHORITY OF SKAGIT COUNTY**, a public body corporate and politic of the State of Washington, with its principal offices at 1650 Port Drive, Burlington, Washington 98233 ("Assignee"), and the **WASHINGTON STATE DEPARTMENT OF COMMERCE** (formerly known as the Washington State Department of Community, Trade and Economic Development), a department of the State of Washington, whose location and mailing addresses are 1011 Plum Street SE, P.O. Box 42525, Olympia, Washington 98504-2525 ("Lender").

WHEREAS, Assignee and Lender entered into that certain Housing Trust Fund Contract Number 06-94100-053 with an execution date of June 29, 2007 (the "State Loan Agreement"), whereby Lender agreed to loan Assignee One Million Six Hundred Thousand and 00/100 Dollars (\$1,600,000.00) ("State Loan"), in connection with the development of the property known as Raspberry Ridge II located in Skagit County, Washington ("Project"), and legally described on **Exhibit A** attached hereto and incorporated herein by reference (including all improvements thereon) (the "Property"); and

WHEREAS, to evidence the State Loan, Assignee executed that certain Promissory Note dated June 26, 2007 in favor of Lender (the "State Note"), whereby Assignee agreed to pay Lender or the holder of the State Note the principal sum of One Million Six Hundred Thousand and 00/100 Dollars (\$1,600,000.00); and

WHEREAS, to secure payment of the State Note, Assignor executed that certain Deed of Trust dated June 26, 2007 and recorded on June 26, 2007 and re-recorded on October 10, 2007 under Skagit County Auditor's File No. 200710100063 (the "State Deed of Trust"), naming Lender as the Beneficiary; and

WHEREAS, Assignor executed that certain Low Income Housing Covenant Agreement dated June 26, 2007 and recorded of even date under Skagit County Auditor's File Number 200706260084 (the "State Covenant") to restrict the use of certain residential units in the Property to low income households; and

WHEREAS, pursuant to that certain Assignment, Assumption and Consent Agreement dated June 29, 2007 and recorded on July 17, 2007 and re-recorded on October 10, 2007 under Skagit County Auditor's File Numbers 200707170093 and 200710100064 respectively, (the "Previous Assignment"), Assignee, as assignor therein, assigned to Raspberry Ridge II LLC, as assignee therein, all of the rights and obligations of Assignee under the State Loan Agreement and State Note; and

WHEREAS, Assignor and Lender executed that certain Omnibus Amendment dated July 20, 2007, and recorded August 2, 2007 and rerecorded October 10, 2007 under Skagit County Auditor's File Number 200708020167 and 200710100065, respectively (the "Omnibus Amendment"), which amended, and made part of, the State Loan Agreement, the State Note, the State Deed of Trust, the State Covenant, and the Previous Assignment; and

WHEREAS, on April 14, 2009, Assignee and Lender amended the State Loan Agreement to loan Assignee additional funds in the amount of Seventy-Five Thousand and 00/100 Dollars (\$75,000) thereby increasing the total State Loan amount to One Million Six Hundred Seventy-Five Thousand and 00/100 Dollars (\$1,675,000.00);

WHEREAS, to secure the additional loan amount, Assignee issued a First Amended and Restated Promissory Note on April 9, 2009 in favor of Lender ("Amended State Note"), whereby Assignee agreed to pay Lender or the holder of the State Note the principal sum of One Million Six Hundred Seventy-Five Thousand and 00/100 Dollars (\$1,675,000.00);

WHEREAS, to secure payment of the Amended State Note, Assignor executed that certain First Amended and Restated Deed of Trust dated April 9, 2009 and recorded on June 9, 2009 under Skagit County Auditor's File Number 200906090028 ("First Amended and Restated State Deed of Trust"), naming Lender as the Beneficiary; and

WHEREAS, Assignor executed that certain First Amended and Restated Low Income Housing Covenant Agreement dated April 9, 2009 and recorded June 9, 2009 under Skagit County Auditor's File No. 200906090027 ("First Amended and Restated State Covenant") to restrict the use of certain residential units in the Property to low income households; and

WHEREAS, the 2009 Regular Session of the Washington State Legislature changed the name of the Department of Community, Trade and Economic Development to the Department of Commerce effective July 26, 2009, pursuant to Laws of 2009, Chapter 565, thus all references in the Original Contract (the "State Loan Agreement"), State Note, State Deed of Trust, State Covenant, and all amendments thereto, including the Omnibus Amendment, to the Department of Community, Trade and Economic Development or DEPARTMENT shall now be deemed references to the Department of Commerce; and

WHEREAS, Assignor is transferring the Property to Assignee and now wishes to assign to Assignee and to have Assignee assume all of Assignor's interest, rights, benefits, duties and obligations under the State Loan Agreement, the State Note, the State Deed of Trust, the Omnibus Amendment, and the State Covenant, (collectively, the "State Loan Documents"), as existing or as they may be amended, and Assignee is willing to assume all of said obligations of Assignor thereunder; and

WHEREAS, Assignor and Assignee now request the consent of the Lender to (i) the transfer of the Property from Assignor to Assignee, (ii) the assignment of the State Loan Documents from Assignor to Assignee and (iii) the assumption of the obligations of Assignor under the State Loan Documents by Assignee.

NOW, THEREFORE, in consideration of the mutual promises of the parties and certain other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

I. **Assignment and Assumption**

- (a) Assignor hereby confirms its agreement to transfer all of its right, title and interest in the Property to Assignee and hereby transfers, assigns, grants, and conveys to Assignee all of its right, title, and beneficial interest existing as of this date in and under the State Loan Documents, as now existing or as they may be amended.
- (b) Assignee hereby expressly assumes and agrees to perform, observe and confirm all the covenants, agreements, terms and conditions, obligations, duties and liabilities of Assignor under the State Loan Documents, as existing or as they may be amended, and any document

or instrument executed and delivered or furnished by Assignor in connection therewith, and agrees that the Property and all leases of the Property are subject to the liens, security interests and assignments in favor of the Lender as stated in the State Loan Documents.

- (c) Any references in the State Loan Documents to Borrower, Grantor or Owner shall, with respect to all dates from and after the effective date of this Assumption Agreement, shall now include Housing Authority of Skagit County, a public body corporate and politic of the State of Washington, and its successors and assigns to the extent provided in the State Loan Documents, and the address for notices to Borrower or Owner under each and all State Loan Documents shall be 1650 Port Drive, Burlington, Washington 98233, until changed by written notice to the Lender under the State Loan Documents.
- (d) Lender hereby releases and forever discharges Assignor from all liabilities and obligations concerning said State Loan Documents arising subsequent to the date of this Assumption Agreement and agrees to look solely to Assignee for all such payments and liabilities under the State Loan Documents.
- (e) Assignor and Assignee hereby acknowledge that all reserves current and future will remain with the project. The transfer of the property shall result in no cash proceeds being disbursed to the Assignor.

2. **Representations and Warranties of Assignee.** In order to induce Lender to continue the State Loan Agreement and to consent to the assignment and assumption provided for herein, Assignee hereby represents and warrants to Lender that:

- (a) Assignee is duly formed public body corporate and politic of the State of Washington and has the full right, power and authority to conduct all of the activities which are now conducted by it or proposed to be conducted by it in connection with the State Loan Documents, to execute, deliver and perform this Assumption Agreement, and to assume the obligations of Assignor and to fulfill its duties under the State Loan Documents.
- (b) There is no action, suit or proceeding or any investigation pending or, to the best of Assignee's knowledge, threatened against or affecting Assignee at law or in equity in any court or by any federal, state, municipal or other governmental authority, department, commission, board, agency or other governmental instrumentality that is likely to have an adverse effect on Assignee's ability to assume the obligations and to fulfill the duties of Assignor under the terms of the State Loan Documents.
- (c) Assignee is not in default or alleged to be in default with respect to any judgment, order, writ, injunction or decree or in breach or alleged to be in breach or default under any material lease, contract, agreement, commitment, instrument or obligation to which it is a party or by which it or its property is bound; and to the best of Assignee's knowledge, there is no statement of facts which is likely to create or cause a default or breach under any such material lease, contract, agreement, commitment, instrument or obligation.

- (d) To the best of Assignee's knowledge and belief, Assignee has complied in all material respects with all federal, state and local laws, regulations and orders applicable to the ownership of its properties and the conduct of its operations.
 - (e) Assignee has taken all corporate and other action, necessary to authorize the execution and delivery of this Assumption Agreement.
 - (f) The representations and warranties of the Borrower in the State Loan Documents, as applied to Assignee, are true and correct in all material respects as of the date hereof.
 - (g) Assignee has conducted its own inspections of the Property and is fully familiar with the condition thereof. Assignee is not relying on any representations or statements by or on behalf of Lender, express or implied, nor upon any duty of Lender to disclose information concerning the Property (whether or not known to Lender), in acquiring the Property and entering into this Assumption Agreement.
3. **Representations and Warranties of Assignor.** In order to induce Lender to allow the assignment and assumption contemplated herein, Assignor represents and warrants to Lender that:
- (a) The representations and warranties of Assignor in the State Loan Agreement, State Note, State Deed of Trust, the Omnibus Amendment, and the State Covenant are true and correct in all material respects as of the date hereof.
 - (b) To the best of Assignor's knowledge, no Event of Default under the State Loan Documents, or event that with notice or the passage of time would constitute such an Event of Default, has occurred and is continuing.
 - (c) Assignor is the sole owner of indefeasible fee simple title to the Property, subject to no liens or encumbrances except those permitted by the State Loan Documents, and the transfer of the Property to the Assignee has received all consents and approvals required by the terms of the operating agreement of Assignor, of any encumbrance on the Property and of any obligation secured by an encumbrance on the Property.
4. **Consents.** The Lender hereby consents to the transfer of the Property from Assignor to Assignee and the assumption by Assignee of the obligations of Assignor under the State Loan Documents.
5. **Further Documents and Assurances.** At any time and from time to time, upon Lender's request, Assignee will promptly and duly execute and deliver any and all further instruments and documents and take such further action as Lender may deem reasonable and appropriate to effect the purposes of this Assumption Agreement, including (without limitation) the execution of the State Note or an amended and restated promissory note(s) in form satisfactory to Lender. The Assignee hereby authorizes and agrees to the filing (at Assignee's expense) of any financing or continuation statements under the Uniform Commercial Code in effect in any jurisdiction, as deemed appropriate by Lender, in order to place on the public records notice of the effect of this Assumption Agreement.
6. **Acknowledgments, Agreements, and Waivers.** Assignor and Assignee acknowledge that the full principal amount of the State Note has been disbursed by Lender, and that the unpaid principal

balance and interest accrued under the terms of the State Note are validly outstanding and owing on the State Note, subject to no defenses, offsets, or counterclaims through the date of this Assumption Agreement, and Assignee hereby waives any such defenses, offsets or counterclaims. Assignor and Assignee further acknowledge that the Lender has complied fully with all of its obligations to date under the State Loan Documents and that except as stated herein, the State Loan Documents have not been modified or amended

7. **Further Transfers.** Nothing herein shall be construed as consent to any further transfer of any interest in the Property.
8. **Successors and Assigns.** This Assumption Agreement shall be binding upon Assignor, Assignee and Assignee's successors and assigns and shall inure to the benefit of the Lender and its successors and assigns; *provided, however*, that Assignee shall not have the right to assign any of its obligations or rights hereunder without the prior written consent of the Lender.
9. **Effective Date.** The effective date of this Assumption Agreement shall be the date the parties sign and complete the execution of this document and it is filed of record with the Skagit County office of records and elections.
10. **Governing Law.** This Assumption Agreement shall be governed by, construed and interpreted in accordance with, the laws of the State of Washington.
11. **Counterparts.** This Assumption 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.

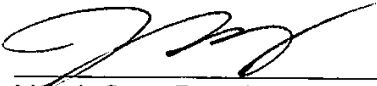
[SIGNATURE AND NOTARY PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Assumption Agreement to be executed as of the day and year written above and warrant by signing below that they have the authority to enter into this Assumption Agreement.

ASSIGNOR:

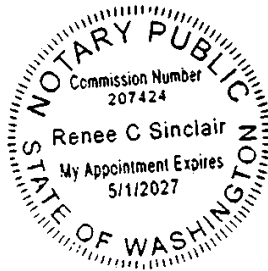
RASPBERRY RIDGE II LLC, a Washington limited liability company

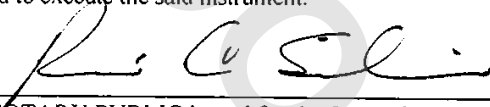
By: **HOUSING AUTHORITY OF SKAGIT COUNTY**, a
public body corporate and politic of the State of Washington
Its: Managing Member

By: 
Melanie Corey, Executive Director

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

On this 21st day of November 2024, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Melanie Corey, to me personally known (or proved to me on the basis of satisfactory evidence) to be the Executive Director of **HOUSING AUTHORITY OF SKAGIT COUNTY**, a public body corporate and politic of the State of Washington the Managing Member of **RASPBERRY RIDGE II LLC**, a Washington limited liability company, and acknowledged said instrument to be the free and voluntary act and deed of such public body corporate and politic, on behalf of said company, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute the said instrument.

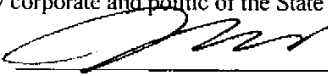



NOTARY PUBLIC in and for the State of Washington
My Commission expires: 5/1/27

IN WITNESS WHEREOF, the parties hereto have caused this Assumption Agreement to be executed as of the day and year written above and warrant by signing below that they have the authority to enter into this Assumption Agreement.

ASSIGNEE:


HOUSING AUTHORITY OF SKAGIT COUNTY, a public body corporate and politic of the State of Washington

By: 
Melanie Corey, Executive Director

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

On this 21st day of November 2024, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Melanie Corey, to me personally known (or proved to me on the basis of satisfactory evidence) to be the Executive Director of **HOUSING AUTHORITY OF SKAGIT COUNTY**, a public body corporate and politic, and acknowledged said instrument to be the free and voluntary act and deed of such public body corporate and politic, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute the said instrument.





NOTARY PUBLIC in and for the State of Washington
My Commission expires: 5/1/2027

IN WITNESS WHEREOF, the parties hereto have caused this Assumption Agreement to be executed as of the day and year written above and warrant by signing below that they have the authority to enter into this Assumption Agreement.

LENDER:

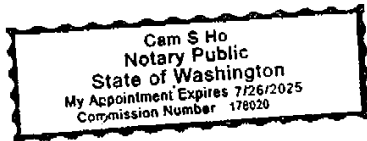
WASHINGTON STATE DEPARTMENT OF COMMERCE,
a department of the State of Washington

By:


Kennly Asato
Interim Assistant Director, Housing Division

STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

On this 03 day of December 2024, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Kennly Asato, to me personally known (or proved to me on the basis of satisfactory evidence) to be the Interim Assistant Director, Housing Division of the **Washington State Department of Commerce**, a department of the State of Washington, and acknowledged said instrument to be the free and voluntary act and deed of such department, for the uses and purposes therein mentioned, and on oath stated that she was authorized to execute the said instrument.




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NOTARY PUBLIC in and for the State of Washington
My Commission expires: 7/26/2025

EXHIBIT A**LEGAL DESCRIPTION**

That portion of the Northwest Quarter of the Southwest Quarter and the Northeast Quarter of the Southwest Quarter of Section 33, Township 35 North, Range 4 East, W.M. and of Tracts 25 and 36, "PLAT OF THE BURLINGTON ACREAGE PROPERTY," as per plat recorded in Volume 1 of Plats, page 49, records of Skagit County, Washington, being more particularly described as follows:

Beginning on the West line of said Northwest Quarter of the Southeast Quarter at a point South 0 Degrees 01'36" West, a distance of 201.00 feet from the center of said Section 33; thence South 89 Degrees 40'42" East parallel with the North line of said Southeast Quarter a distance of 290.00 feet; thence South 0 Degrees 01'36" West, parallel to the West line of said Southeast Quarter, a distance of 404.00 feet; thence North 89 Degrees 40'42" West, parallel to the North line of said Southeast Quarter, a distance of 257.00 feet; thence South 0 Degrees 01'36" West, parallel to the West line of said Southeast Quarter, a distance of 206.55 feet; thence North 89 Degrees 40'42" West, parallel to the North line of said Southeast Quarter a distance of 33.00 feet to the West line of said Southeast Quarter; thence continuing North 89 Degrees 40'42" West, parallel to the North line of said Southeast Quarter a distance of 247.68 feet; thence North 0 Degrees 01'36" East, parallel to the East line of said Southwest Quarter, a distance of 610.55 feet; thence South 89 Degrees 40'42" East, parallel to the North line of said Southeast Quarter, a distance of 247.68 feet to the Point of Beginning.

TOGETHER with a non-exclusive easement for ingress, egress and utilities, over, under and across the West 65.00 feet of the East 247.68 feet of the North 201.00 feet of the Northeast Quarter of the Southwest Quarter of Section 33, Township 35 North, Range 4 East, W.M., also being a portion of said Tract 25 of "PLAT OF BURLINGTON ACREAGE PROPERTY",

EXCEPT that portion within the right-of-way of Lafayette Road.

Situate in the County of Skagit, State of Washington.