

Please return to:
Preston Gates & Ellis LLP
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Attn: Denise L. Stiffarm



200603130182
Skagit County Auditor

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**CHICAGO TITLE IQB2826
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Name of Document: RESTRICTIVE COVENANT

Grantor: SKAGIT COUNTY COMMUNITY ACTION AGENCY, a
Washington nonprofit corporation

Grantee: MOUNT VERNON SCHOOL DISTRICT NO. 320

Legal Description:

Abbreviated form: Lots 1 and 2, Block 2, Pape's Addition to the City of Mount
Vernon

Situate in the City of Mount Vernon, County of Skagit, State
of Washington.

Additional legal description on Exhibit A of Restrictive Covenant.

Assessor's Property Tax Parcel Account Number(s): 3750-002-002-0000 (P53984)

Reference number(s) of related/assigned/released/document(s):

Reference(s) to document(s) appears on page(s) _____ of document

RESTRICTIVE COVENANT

This Declaration of Restrictive Covenant ("Covenant") is dated as of February 8, 2006, by Skagit County Community Action Agency, a Washington nonprofit corporation (the "Owners") for the benefit of the Mount Vernon School District No. 320, a Washington municipal corporation (the "District").

RECITALS

A. WHEREAS, the Owners are the fee owners of certain real property more particularly describe on Exhibit A attached hereto (the "Property") that is the subject of this Covenant.

B. WHEREAS, the Owners own and operate an emergency shelter on the Property, which shelter contains a total of ten (10) separate dwelling units;

C. WHEREAS, the emergency shelter exclusively serves homeless parents with children; and

D. WHEREAS, residents of the emergency shelter are limited to a stay of sixty (60) days or less; and

E. WHEREAS, the District is eligible to receive school impact fees from any new residential development activity pursuant to Chapter 3.36 of the Mount Vernon Municipal Code (the "Code" or the "School Impact Fee Ordinance"); and

F. WHEREAS, Section 3.36.050(2) of the Code provides an exemption from school impact fees for "any form of housing exclusively used for emergency shelters" so long as such use is maintained and necessary restrictions, as approved by the District, are recorded on the Property.

NOW, THEREFORE, for good and valuable consideration, Grantor does hereby grant and convey to the District, and does hereby agree to and does hereby impose upon any interest in the Property, the following covenants and restrictions, which shall run with and be a burden upon Grantor's interest in the Property and all portions thereof, and shall be binding upon any purchaser, grantee, owner or lessee of any portion of Grantor's interest in the Property and upon the respective heirs, executors, administrators, devisees, successors and assigns of any purchaser, grantee, owner or lessee of any portion of Grantor's interest in the Property, for so long as this Covenant remains in effect in accordance with its terms.



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COVENANT

1. **Definitions:**

1.1 Dwelling Unit. The term "Dwelling Unit" shall mean any dwelling unit to be located on the Property to be occupied by a Resident.

1.2 Owners. The term "Owners" shall mean the Skagit County Community Action Agency, a Washington nonprofit corporation, or its heirs, legal representatives, successors and permitted assigns, except as otherwise expressly provided in this Covenant.

1.3 Property. The term "Property" shall mean the real property legally described on Exhibit A.

1.4 Resident. The term "Resident" shall mean any person residing in any Dwelling Unit who has been approved for occupancy by the Owner.

2. **Restrictive Covenants:**

2.1 Residents of Dwelling Units. No person may be a resident of any Dwelling Unit or the Property, except as expressly authorized by this Article 2.

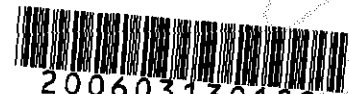
2.1.1 The residents of any Dwelling Unit and the Property will be restricted solely to Residents. A person is deemed to be a resident of any Dwelling Unit or the Property if that person remains overnight or sleeps in any Dwelling Unit or on the Property.

2.1.2 Residents may not occupy a Dwelling Unit for more than sixty (60) days in each calendar year.

2.2 Conveyances of a Possessory Interest. Any sale of, lease of, grant of a life estate in, other conveyance of any possessory interest in, or offer to make such conveyance of, an interest in any Dwelling Unit or in all or part of the Property will only be made to a person or persons who will comply with the restrictions set forth in this Article 2.

3. **School Impact Fee:**

3.1 School Impact Fee. A school impact fee shall be paid in the manner and the amount specified by the City of Mount Vernon School Impact Fee Ordinance in effect at the time the interest in any Dwelling Unit or in all or part of the Property is conveyed to any person not complying with the restrictions set forth in Article 2 above or any Dwelling



Unit or the Property is occupied by any person not meeting the criteria set forth in Article 2 above.

3.2 Timing of Payment of Impact Fee. Such school impact fee shall be paid to the Mount Vernon School District within thirty (30) days of receipt of the evidence described in Article 4 below. In the event that such school impact fee is not paid within the time specified in this Section 3.2, interest shall accrue on the amount of such school impact fee at a rate of nine percent (9%) per annum.

4. **Reporting Requirements**

Whenever there is any sale of, lease of, grant of a life estate in, or other conveyance of a possessory interest in, or offer to make such conveyance of, an interest in any Dwelling Unit or in all or part of the Property, the Owners of any Dwelling Unit or all or part of the Property shall furnish to the City of Mount Vernon and the Mount Vernon School District No. 320 a copy of reliable documentary evidence demonstrating that the new resident meets the criteria set forth in Section 2.

5. **Miscellaneous.**

5.1 Covenant Running With the Land. This Covenant shall be deemed to be a covenant running with the land.

5.2 Binding Effect. This Covenant shall apply to, inure to the benefit of, and be binding upon, the Owners and their heirs, legal representatives, successors and permitted assigns, except as otherwise expressly provided in this Covenant.

5.3 Captions. The captions inserted in this Covenant are for convenience only, they in no way define, limit or otherwise describe the scope or intent of this Covenant, and shall not be used to interpret or construe this Covenant.

5.4 Governing Law. This Covenant shall be governed by the laws of the State of Washington.

5.5 Venue. If an action must be brought to enforce the terms of this Covenant, such action shall be brought in Superior Court in Skagit County, Washington.



EXHIBIT A

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LEGAL DESCRIPTION

- Lots 1 and 2, Block 2, "PAPE'S ADDITION TO THE CITY OF MT. VERNON," as per plat recorded in Volume 3 of Plats, page 59, records of Skagit County, Washington.

Situate in the City of Mount Vernon, County of Skagit, State of Washington.

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