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WHEN RECORDED RETURN TO:

Ted Filler 1120 Commercial Ave Anacortes, WA 98221

Document Title:

First Amendment to Declaration for the Gardens at Sunset Cove Condominium

Grantor/Declarant:

GT Sunset Gardens, LLC

Grantee:

General Public

Legal Description:

Tract G. Plat of Sunset Cove Estates, according to Plat thereof under Auditor no.

200011290070, records of Skagit County, Washington.

Tax Parcel No:

P177877, P117878, P117879, P117880, P117686

AF No Affected:

200706010008

FIRST AMENDMENT TO DECLARATION ESTABLISHING COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATIONS FOR THE GARDENS AT SUNSET COVE CONDOMINIUM

PURPOSE: AMEND THE DECLARATION TO (1) TO EXERCISE SPECIAL DECLARANT RIGHTS AND DEVELOPMENT RIGHTS TO ADD PHASE 2 AND (2) CONFORM WITH VETERANS ADMINISTRATION REQUIREMENTS.

THIS AMENDMENT is made this 4th day of August, 2009 by GT Sunset Gardens, LLC, a Washington limited liability company ("Declarant").

RECITALS

- 1. Declarant executed certain documents establishing the Gardens at Sunset Cove Condominium in Anacortes, Washington, which included filing a Declaration of Covenants, Conditions, Restrictions and Reservations for the Gardens at Sunset Cove Condominium under Skagit County Auditors File No. 200706010008 (herein "Declaration") and contemporaneously filing a Survey Map and Plans for the Gardens at Sunset Cove Condominium under Skagit County Auditors File No. 200706010007.
- 2. Pursuant to RCW 64.34.236 and Sections 2.2, 21.2 and 22.5 of the Declaration, the Declarant may unilaterally amend the Declaration from time to time to exercise Development Rights.
- 3. In Section 2.2 of the Declaration, the Declarant reserved the Development Rights to develop the Condominium in "Subsequent Phases" by adding improvements to the Condominium and creating additional Units, Common Elements, or Limited Common Elements within certain land which is part of the Condominium (Subsequent Phase Property).

- 4. In Section 21.10 of the Declaration it allows for the amendment of the Declaration necessary to satisfy the requirements of the Veterans Administration.
- 5. The Declarant now wishes to exercise Development Rights and Special Declarant Rights and has created additional Units, Common Elements, and Limited Common Elements as more particularly described below, all for the purpose of creating an additional phase of development, known as "Phase 2", consisting of four (4) additional Units, in one new Building which has been created on Subsequent Phase Property.
- 6. The Association wishes to amend the Declaration to conform to requirements of the Veterans Administration.

NOW, THEREFORE, pursuant to and in compliance with the Declaration, and the Washington Condominium Act, the following First Amendment to the Declaration is adopted.

- 1. The following Declaration Articles are amended for purposes of adding the Phase 2 property and Units to the Condominium and will now read in their entirety as follows:
- 3.1 Number of Units. The Declaration creates four (4) Units in Phase 1 of the Condominium. This First Amendment creates four (4) Units in Phase 2 of the Condominium, for a total of eight (8) Units in the Condominium. Pursuant to Article 2 and Article 22 of the Declaration, the Declarant reserves the Development Rights for the Declarant to create an additional sixteen (16) Units in one or more Subsequent Phases on the Subsequent Phase Property. The total number of Units that may be created is twenty-four (24) if all Subsequent Phase(s) are constructed.
- 3.2 Identifying Number. The Identifying Number of each Unit in Phase I and Phase II is set forth in the First Amendment to Exhibit "B" attached. The locations of the Phase I Units are set forth on the Survey Maps and Plans recorded under Auditor File No. 200706010007, recorded in Skagit County and the location of the Phase 2 Units are set forth on the Phase 2 Survey Maps and Plans to be recorded simultaneously with this First Amendment.
- 7.1.4 Lobby. The Buildings within Phase 1 and Phase 2 both include a common Lobby, respectively, as indicated on the Survey Map and Plans, for the benefit of the second floor Units.
- 7.1.5 Elevators. The Building in Phase 1 contain two (2) elevators, each individually assigned as a Limited Common Element to a specific Unit as indicated on the Survey Maps and Plans. The Building in Phase 2 may contain zero (0), one (1), or two (2) elevators, at the sole discretion of the Declarant. If any elevator(s) are built, the elevators will be assigned as a Limited Common Element to a specific Unit as indicated on the Phase 2 Survey Maps and Plans. Subsequent Phases of Development may or may not include elevators, at the sole discretion of the Declarant.
- 2. Declarant has reserved the right to add Common Elements, Limited Common Elements, and Units within the property labeled "Subsequent Phase Property" on the Survey Map and Plans. The legal description of Phase 2 and of the "Subsequent Phase Property" after the addition of Phase 2 is shown on



the First Amendment to Exhibit "A" attached. The Common Elements and Limited Common Elements for the Units in Phase 2 added by this First Amendment are described in the Declaration and in the Survey Map and Plans, as amended.

- 3. Upon the recording of this First Amendment, the Allocated Interests and votes shall be reallocated among all Units in Phases 1 and 2 of the Condominium as shown on the First Amendment to Exhibit "B" attached.
- 4. The following Declaration Section 18.9 is added to the Declaration:
- 18.9 <u>Veterans Administration</u>. If any of the Units are security for a loan guaranteed by the Veterans Administration ("VA"):
- (a) During the Declarant Control period: the Declarant must provide a copy of all amendments to the VA; and the Association may not make any Material Amendment or take any Extraordinary Action as defined below without the approval of the VA.
 - (b) Eligible Mortgagees shall have the following rights:
- (i) the right to inspect Association documents and records on the same terms as the members:
 - (ii) notice of any Material Amendment to the Association documents;
 - (iii) notice of any Extraordinary Action of the Association;
- (iv) notice of any property loss, condemnation or eminent domain proceeding affecting the Common Elements resulting in a loss greater than ten percent (10%) of the annual budget or affecting any Unit insured by the Association in which the Eligible Mortgagee has an interest;
- (v) notice of any termination, lapse or material modification of an insurance policy held by the Association;
- (vi) notice of any default by an Owner of a Unit subject to a mortgage held by the Eligible Mortgagee in paying assessments or charges to the Association which remains uncured for sixty (60) consecutive days;
- (vii) notice of any proposal to terminate the Declaration of dissolve the Association at least thirty (30) days before any action is taken;
- (viii) the right of a majority of the Eligible Mortgagees to demand professional management; and
- (ix) the right of a majority of the Eligible Mortgagees to demand an audit of the Association's financial records.

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18.9.1 Material Amendment/Extraordinary Action.

(a) In accordance with Veterans Administration requirements, material amendments ("Material Amendments") or extraordinary actions ("Extraordinary Actions") must be approved by Owner's entitled to cast at least sixty-seven percent (67%) of the votes of Owner's present and voting, in person or by proxy, at a meeting held in accordance with the notice and quorum requirements for Material Amendments and Extraordinary Actions contained herein.

A Material Amendment includes adding, deleting or modifying any provision regarding the following:

- (i) Assessment basis or Assessment liens;
- (ii) any method of imposing or determining any charges to be levied against individual Owners;
- (iii) reserves for maintenance, repair or replacement of Common Element improvements;
 - (iv) maintenance obligations;
 - (v) allocation of rights to use Common Elements;
- (vi) any scheme of regulation or enforcement of standards for maintenance, architectural design or exterior appearance of improvements on Units;
 - (vii) reduction of insurance requirements;
 - (viii) restoration or repair of Common Element improvements;
 - (ix) the addition, annexation or withdrawal of land to or from the Property;
 - (x) voting rights;
 - (xi) restrictions affecting leasing or sale of a Unit; or
 - (xii) any provision which is for the express benefit of Mortgagees.

An Extraordinary Action includes:

(i) merging or consolidating the Association (other than with another non-profit entity formed for purposes similar to this Association);

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- (ii) determining not to require professional management if that management has been required by the Association documents, a majority of Eligible Mortgagees or a majority vote of the Owners:
- (iii) expanding the Association to include land not previously described as annexable which increases the overall land area of the project or number of Units by more than ten percent (10%);
- (iv) abandoning, partitioning, encumbering, mortgaging, conveying, selling or otherwise transferring the Common Element (except for (i) granting easements; (ii) dedicating Common Element as required by a public authority; (iii) resubdividing or adjusting the boundary lines of the Common Element or (iv) transferring Common Element pursuant to a merger or consolidation with a non-profit entity formed for purposes similar to the Association;
- (v) using insurance proceeds for purposes other than reconstruction or repair of the insured improvements; or
- (vi) making capital expenditures (other than for repair or replacement of existing improvements) during any period of twelve (12) consecutive months costing more than twenty percent (20%) of the annual operating budget.
- (b) For any meetings of the membership to approve a Material Amendment or Extraordinary Action: (i) at least 25 days advance notice to all members is required (at least 7 days notice is required in the case of a meeting for other purposes); (ii) the notice states the purpose of the meeting and contains a summary of any Material Amendments or Extraordinary Actions proposed; (iii) and the notice contains a copy of the proxy that can be cast in lieu of attendance at the meeting.
- (c) Any Material Amendment which changes the rights of any specific class of members (to the extent classes of membership are ever created) must be approved by members entitled to cast at least fifty-one percent (51%) of the votes of all members of such class present and voting, in person or by proxy, at a meeting held in accordance with the requirements contained in the Bylaws.
- (d) The following Material Amendments and Extraordinary Actions must be approved by Owners entitled to cast at least sixty-seven percent (67%) of the total authorized votes of all Owners of the Association:
 - (i) termination of this Declaration or the termination of the project;
 - (ii) dissolution of the Association except pursuant to a consolidation or merger;
 - (iii) conveyance of all Common Elements.

and

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- (e) If the Veterans Administration has guaranteed any loans secured by a Unit, during the Declarant Control period, all Material Amendments and Extraordinary Actions must have the approval of the Veterans Administration.
- 5. For purposes of adding the Phase 2 Survey Maps and Plans, Article 23.7 will now read, in its entirety as follows:
- 23.7 Reference to Survey Maps and Plans. The Survey Maps and Plans referred to herein consist of five (5) sheets related to Phase 1 of the Condominium, prepared by Semrau Engineering & Surveying, and were filed with the Auditor of Skagit County, Washington with recording number 200706010007, and five (5) sheets related to Phase 2 of the Condominium, prepared by Semrau Engineering & Surveying, and are filed simultaneously with this First Amendment with the Auditor of Skagit County, Washington under File No. 200908040049
- 6. Except as modified by this Amendment, all of the terms and provisions of the Declaration are hereby expressly ratified and confirmed and shall remain in full force and effect.

WITNESS WHEREOF, The Declarant has caused this Amendment to be executed the date first written above.

DECLARANT:

GT Sunset Gardens, LLC

Manager

THE GARDENS AT SUNSET COVE CONDOMINIUM ASSOCIATION

By TC) Wei-VICE-PRESIDENT

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STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)
On this 2 day of August, 2009, before me personally appeared TED FILLER, to me known to be the
Authorized Representative of the corporation that executed the within and foregoing instrument to be the free and
voluntary act and deed of said limited liability company for the uses and purposes therein mentioned, and on oath
stated that he was authorized to execute said instrument.
IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above
written.

Notary Public in and for the State of Washington, residing at <u>Sellingham</u> My Commission Expires: <u>Ma</u>

STATE OF WASHINGTON)) ss. COUNTY OF SKAGIT

I certify that I know or have satisfactory evidence that Ted Filler_signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Vice President of the Gardens at Sunset Cove Condominium Association, a Washington non-profit corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)

Notary Public in and for the State of Washington, residing at Bellingham LVA
My Commission Expires Macch 14, 2010



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FIRST AMENDMENT TO EXHIBIT A TO DECLARATION FOR THE GARDENS AT SUNSET COVE CONDOMINIUM

The legal description of the Real Property included in the Gardens at Sunset Cove Condominium, is as follows:

1. LEGAL DESCRIPTION OF LAND WITHIN CONDOMINIUM

TRACT G, PLAT OF SUNSET COVE ESTATES, ACCORDING TO THE PLAT THEREOF, RECORDED NOVEMBER 29, 2000, UNDER AUDITOR'S FILE NO. 200011290070, RECORDS OF SKAGIT COUNTY, WASHINGTON.

SITUATED IN SKAGIT COUNTY, WASHINGTON

Subject to covenants, conditions, restrictions, reservations, agreements, encumbrances, and other matters of record.

2. LEGAL DESCRIPTION OF PHASE 1 and PHASE 2 PROPERTY

THAT PORTION OF TRACT G, PLAT OF SUNSET COVE ESTATES, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 29, 2000, UNDER AUDITOR'S FILE NO. 200011290070, RECORDS OF SKAGIT COUNTY, WASHINGTON, INCLUDING

PHASE 1

SAID PORTION LYING WESTERLY OF THE FOLLOWING DESCRIBED LINE: BEGINNING AT THE SOUTHWESTERLY CORNER OF SAID TRACT G; THENCE NORTH 89'40'16" EAST 163.66 FEET ALONG THE SOUTH LINE OF SAID TRACT G TO A POINT THAT IS 178,88 FEET FROM THE SOUTHEASTERLY CORNER OF SAID TRACT G. SAID POINT ALSO BEING THE TRUE POINT OF BEGINNING OF SAID LINE:

THENCE NORTH 00'47'04" WEST 140.88 FEET TO THE SOUTHERLY MARGIN OF SUNDOWN COURT AND THE TERMINUS OF SAID LINE, AND,

PHASE 2

SAID PORTION LYING WESTERLY OF THE FOLLOWING DESCRIBED LINE: BEGINNING AT THE NORTHWESTERLY CORNER OF SAID TRACT G; THENCE NORTH 89'40'16" EAST 152.66 FEET ALONG THE NORTH LINE OF SAID TRACT G.TO



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THENCE SOUTH 00'09'00" EAST 136.73 FEET TO THE NORTHERLY MARGIN OF SUNDOWN COURT AND THE TERMINUS OF SAID LINE.

SITUATED IN SKAGIT COUNTY, WASHINGTON

3. LEGAL DESCRIPTION OF SUBSEQUENT PHASE PROPERTY

TRACT G, PLAT OF SUNSET COVE ESTATES, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 29, 2000, UNDER AUDITOR'S FILE NO. 200011290070, RECORDS OF SKAGIT COUNTY, WASHINGTON. EXCEPT THAT PORTION THEREOF LYING WESTERLY OF THE FOLLOWING DESCRIBED LINE: BEGINNING AT THE SOUTHWESTERLY CORNER OF SAID TRACT G; THENCE NORTH 89'40'16" EAST 163.66 FEETALONG THE SOUTH LINE OF SAID TRACT G TO A POINT THAT IS 178.88 FEET FROM THE SOUTHEASTERLY CORNER OF SAID TRACT G, SAID POINT ALSO BEING THE TRUE POINT OF BEGINNING OF SAID LINE:

THENCE NORTH 00'47'04" WEST 140.88 FEET TO THE SOUTHERLY MARGIN OF SUNDOWN COURT AND THE TERMINUS OF SAID LINE.

ALSO EXCEPT THAT PORTION LYING WESTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE NORTHWESTERLY CORNER OF SAID TRACT G; THENCE NORTH 89'40'16" EAST 152.66 FEET ALONG THE NORTH LINE OF SAID TRACT G TO A POINT THAT IS 191.49 FEET FROM THE NORTHEASTERLY CORNER OF SAID TRACT G, SAID POINT ALSO BEING THE **TRUE POINT OF BEGINNING** OF SAID LINE:

THENCE SOUTH 00'09'00" EAST 136.73 FEET TO THE NORTHERLY MARGIN OF SUNDOWN COURT AND THE TERMINUS OF SAID LINE.

SITUATED IN SKAGIT COUNTY, WASHINGTON

4. LEGAL DESCRIPTION OF WITHDRAWABLE PROPERTY

All of the property in Paragraph 1 above, less the Phase 1 and Phase 2 property in paragraph 2 above.

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5. LEGAL DESRCRIPTION OF REAL PROPERTY TO WHICH ANY SPECIAL DECLARANT RIGHTS OR DEVELOPMENT RIGHTS APPLY

All of the property in Paragraph 1 above.

6. Legal description of any real property which may be allocated subsequently as Limited Common Elements (other than Limited Common Elements specified in RCW 64.34.204 (2) and (4)).

All of the property in Paragraph 1 above.



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GARDENS AT SUNSET COVE CONDOMINIUM FIRST AMENDMENT TO EXHIBIT B TO DECLARATION FOR THE

Phase 1 and Phase 2

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Allocated	Interest ⁽³⁾	(Phase I)	11.5%	13.6%		13.6%		11.5%	11.2%	13.6%		13.6%		11.2%
Limited Common	Element(s) (2)		Patios (2)/Garage	Decks	(2)/Elevator/Garage	Decks	(2)/Elevator/Garage	Patios (2)/Garage	Patios (2)/Garage	Decks	(2)/Elevator/Garage	Decks	(2)/Elevator/Garage	Patios(2)/Garage
Level in	Bldg		- A	7		2) 	-	2		2		1
Number	of Fire	Places	1	1		1	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	77				-		1
	Votes		I	-		-		-	-	7		-		\ 1
Number	of Bath-	rooms	2	2.5		2.5		2	2	2.5	ı	2.5		2.5
Number	of Bed-	rooms	2	2		2		2	2	2		2		2
Square	Footage(1)		2092	2459		2470		2089	2035	2488		2472		2038
	Address		2421 Sundown Court	2423 Sundown Court		2425 Sundown Court		2427 Sundown Court	2301 Sundown Court	2303 Sundown Court		2305 Sundown Court		2307 Sundown Court
	Building		V	V		4		V	В	B		В		13

Declarant reserves the right to develop subsequent phases. Refer to Section 22.2.1 of the Declaration for more information. Up to 16 additional Units in addition to the eight (8) Units created in Phase 1 and Phase 2 may be created. Phase 1 included the Units located within Building A, and Phase 2 includes the Units located within Building B.

- Square footages are (a) determined by surveyors "as-built": (b) based on interior surface dimensions, measured drywall to drywall; and (c) exclude wall thickness. Surveyor square footages are less than customary square footage on architectural plans. \equiv
 - Items listed are Limited Common Elements permanently assigned to their respective Units as identified above, pursuant to the Declaration.
- square footage and rounded to the nearest whole percent. The Allocated Interest for purposes of voting interests is equal among all Units with each Unit receiving one (1) Allocated interests are the percentages of undivided interests in the Common Elements and Common Expense Liabilities. Percentages are determined based on livable vote. ALL ALLOCATED INTERESTS ARE SUBJECT TO CHANGE UPON AN EXERCISE OF DEVELOPMENT RIGHTS, as described in Section 2 and 22.2 of වල
- Elevators in building B may or may not be built. If built, they will be LCE assigned to a UNIT.

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