



201203200055

Skagit County Auditor

3/20/2012 Page 1 of 7 1:08PM

Document Title: First Amendment to Declaration for 6th Street Condominium
Grantor/Declarant: Swish Ventures, LLC
Legal Description: The West ½ of Lot 4, all of Lots 5 and 6, Block 140, MAP OF ANACORTES, SKAGIT COUNTY, WASHINGTON, as per plat recorded in Volume 2 of Plats, pages 4, Records of Skagit County, Washington.

FIRST AMENDMENT TO DECLARATION ESTABLISHING COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS AND EASEMENTS FOR 6TH STREET CONDOMINIUM

PURPOSE: AMEND THE DECLARATION TO CONFORM WITH VETERANS ADMINISTRATION REQUIREMENTS

THIS AMENDMENT is made this 17th day of January, 2012 by Swish Ventures, LLC (Declarant).

RECITALS

1. Declarant executed certain documents establishing the 6th Street Condominium in Anacortes, Washington, which included filing a Declaration of Covenants, Conditions, Restriction and Reservations for 6th Street Condominium under Skagit County Auditors File No. 201203120097 (herein "Declaration") and contemporaneously filing a Survey Map and Plans for 6th Street Condominium under Skagit County Auditors File No. 201203120096.
2. RCW 64.34.264 provides the Declaration may be amended by a vote or agreement of Unit Owners of Units to which at least 67% of the votes in the Association are allocated, or any larger percentage that the Declaration specifies. Further Article 24 of the Declaration similarly provides that the Declaration may be amended only by vote or agreement of Owners of Units to which 100% of the voting power is assigned.
3. At the time of this Amendment the Declarant has not sold any Units within the Condominium and retains ownership of both of the two Units.
4. The Declarant now wishes to amend several sections of the Declaration to make the Declaration comply with requirements of the Veterans Administration.

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

1. The following Declaration Section 23.8 is added to the Declaration:

23.8 Veterans Administration. If any of the Units are security for a loan guaranteed by the Veterans Administration ("VA"):

- (a) Eligible Mortgagees shall have the following rights:
 - (i) the right to inspect Association documents and records on the same terms as 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 or 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.

23.8.1 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 improvement 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);
- (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;



201203200055
Skagit County Auditor

- (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 Elements 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 entitle 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; and
 - (iii) conveyance of all Common Elements.



201203200055
Skagit County Auditor

- (e) If the Veterans Administration has guaranteed any loans secured by a Unit, during the Declarant Control period, all Material Amendments and Extraordinary Action must have the approval of the Veterans Administration.

2. Declaration Section 14.2 is hereby amended as follows:

14.2 Transition Date. Declarant Control of the Association shall terminate on the "Transition Date." The Transition Date shall be no later than the earlier of (a) sixty (60) days after conveyance of seventy-five percent (75%) of the Units that may be created to Owners other than the Declarant, (b) five (5) years from the date of the recording of the Declaration, or (c) the date on which Declarant records an amendment to the Declaration pursuant to which the Declarant voluntarily surrenders the right to further appoint and remove officers and members of the Board. If the Declarant voluntarily surrenders control pursuant to (c) above, the Declarant may require that for the duration of the period of Declarant Control, specific actions of the Association or the Board, as describe in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

3. Except as modified by this amendment, all of the terms and provision 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 fate first written above.

Declarant:

Swish Ventures LLC

By Ted Filler
Ted Filler, Member

Old Town 6th Street Condominium Association

By Ted Filler
Ted Filler, Secretary

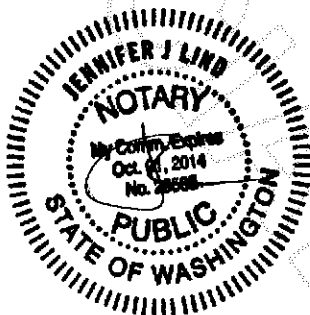


201203200055
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STATE OF WASHINGTON }
COUNTY OF SKAGIT }

On this 20th day of March, 2012, before me personally appeared TED FILLER, to me known to be the Authorized Representative of Swish Ventures LLC, the corporation that executed the within and foregoing instrument to be 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.



[Signature]
(Signature of Notary)
Jennifer J. Lind
(Legibly Print or Stamp Name of Notary)

Notary Public in and for the State of
WA, Skagit County
My Commission Expires 10-01-14

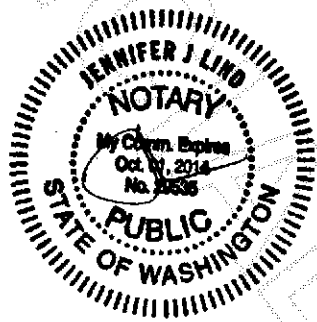


201203200055
Skagit County Auditor

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I certify that TED FILLER signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged himself as the Secretary of Old Town 6th Street 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.

Dated this 20th day of March, 2012



(Signature of Notary)

Jennifer U. Lind
(Legibly Print or Stamp Name of Notary)

Notary Public in and for the State of
Washington,

My Commission Expires 10.01.14



201203200055
Skagit County Auditor

3/20/2012 Page 7 of 7 1:08PM