

WHEN RECORDED, RETURN TO:

Diana Smeland
Port Ludlow Associates LLC
70 Breaker Lane
Port Ludlow, WA 98365

**CERTIFICATE OF AMENDMENT NO. 1
TO SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS, AND EASEMENTS FOR OLYMPIC TERRACE DIVISION 2**

Grantor: PORT LUDLOW ASSOCIATES LLC, a Washington limited liability company

Grantee: OLYMPIC TERRACE DIVISION 2 HOMEOWNERS ASSOCIATION, a
Washington nonprofit corporation

Abbreviated Legal Description: PORTION OF THE SOUTH HALF OF SECTION 21,
TOWNSHIP 28 NORTH, RANGE 1 EAST, W.M., JEFFERSON COUNTY, WASHINGTON

(for complete legal description, see attached Exhibit A)

Assessor's Property Tax Lot Account Numbers:

978-802-001 (Lot 1)	978-802-002 (Lot 2)	978-802-003 (Lot 3)
978-802-004 (Lot 4)	978-802-005 (Lot 5)	978-802-006 (Lot 6)
978-802-007 (Lot 7)	978-802-008 (Lot 8)	978-802-009 (Lot 9)
978-802-010 (Lot 10)	978-802-011 (Lot 11)	978-802-012 (Lot 12)
978-802-013 (Lot 13)	978-802-014 (Lot 14)	978-802-015 (Lot 15)
978-802-016 (Lot 16)	978-802-017 (Lot 17)	978-802-018 (Lot 18)
978-802-019 (Lot 19)	978-802-020 (Lot 20)	978-802-021 (Lot 21)
978-802-022 (Lot 22)	978-802-023 (Lot 23)	978-802-024 (Lot 24)
978-802-025 (Lot 25)	978-802-026 (Lot 26)	978-802-027 (Lot 27)
978-802-028 (Lot 28)	978-802-029 (Lot 29)	978-802-030 (Lot 30)
978-802-031 (Lot 31)	978-802-032 (Lot 32)	978-802-033 (Lot 33)
978-802-034 (Lot 34)	978-802-035 (Lot 35)	978-802-036 (Lot 36)
978-802-037 (Lot 37)	978-802-038 (Lot 38)	978-802-039 (Lot 39)
978-802-040 (Lot 40)	978-802-041 (Lot 41)	978-802-500 (Tract A)
978-802-501 (Tract B)	978-802-502 (Tract C)	978-802-503 (Tract D)
978-802-504 (Tract E)		

Reference to Related Documents:

A.F. Nos. 324010 and 325175 (Master Declaration)
A.F. No. 523326 (Phase 1 Final Plat)
A.F. No. 523672 (Declaration of Annexation)
A.F. No. 523673 (Supplemental Declaration)

PORT LUDLOW ASSOCIATES LLC (hereinafter referred to as “PLA” or “Declarant”), a Washington limited liability company and Declarant under the Supplemental Declaration of Covenants, Conditions, Restrictions, and Easements for Olympic Terrace Division 2 recorded in the real property records of Jefferson County, Washington, under A.F. No. 523673 (the “Supplemental Declaration”), and DIANA SMELAND, as President of the Olympic Terrace Division 2 Homeowners Association (hereinafter referred to as the “Association”), a Washington nonprofit corporation formed and existing pursuant to and in accordance with the Supplemental Declaration, hereby certify that the following Amendment No. 1 to said Supplemental Declaration was properly approved by the Declarant and Members as provided in the Supplemental Declaration and the Articles of Incorporation and Bylaws of the Association, effective as of May 19, 2017. Capitalized terms not otherwise defined herein shall have the meanings given them under the Supplemental Declaration.

RECITALS

WHEREAS, Declarant and the other Lot Owners listed in Exhibit B attached hereto comprise all of the owners of the real property located in unincorporated Jefferson County, Washington, legally described in Exhibit A attached hereto (the “Property”) that is subject to the Supplemental Declaration; and

WHEREAS, the Property includes all of the real property depicted within the Plat of Olympic Terrace Division 2 – Phase 1 recorded in Volume 8 of Plats, pages 64 to 75 inclusive, Auditor’s File No. 523326, records of Jefferson County, Washington (the “Plat”); and

WHEREAS, in light of the scheduled May 21, 2017 expiration of the Development Period described in the Supplemental Declaration, Declarant proposed to extend the Development Period for another 10 years and sought the views of the other Lot Owners regarding such extension; and

WHEREAS, a majority of the other Lot Owners were opposed to extending the Development Period but all were amenable to extending the period of time during which Declarant could exercise certain rights provided for under the Supplemental Declaration; and

WHEREAS, the Declarant has agreed not to seek an extension of the Development Period if the period of time during which Declarant can exercise certain rights relating to development of Lots is extended as set forth below; and

WHEREAS, the Declarant and the other Lot Owners desire to clarify and amend certain provisions of the Supplemental Declaration regarding Declarant’s rights during or after the Development Period; and

WHEREAS, Declarant and the other Lot Owners have unanimously consented in writing or by email to amendment of the Supplemental Declaration as set forth below;

NOW, THEREFORE, the Supplemental Declaration is hereby amended and modified as follows, effective as of May 19, 2017:

1. Amendment of Section 3.1.5. The last sentence of Section 3.1.5 of the Supplemental Declaration is amended to state as follows: This right shall permit Declarant to allow unlimited use by guests and prospective customers of all Limited Common Areas and shall terminate upon the earliest to occur of (i) May 21, 2022, (ii) the date Declarant no longer owns any undeveloped residential Lot, or (iii) the date Declarant delivers written notice to the Association relinquishing this right.

2. Amendment of Section 4.1. The second sentence of Section 4.1 of the Supplemental Declaration is amended to state as follows: No professional, commercial, or industrial operations of any kind shall be conducted in or upon any Lot except (i) as permitted by the Board and Jefferson County, and (ii) such temporary uses as shall be permitted by Declarant while the development is being constructed and Lots are being sold by Declarant; provided, however, that Declarant's right to permit such temporary uses shall terminate upon the earliest to occur of (i) May 21, 2022, (ii) the date Declarant no longer owns any undeveloped residential Lot, or (iii) the date Declarant delivers written notice to the Association relinquishing this right.

3. Amendment of Section 13.6. The last sentence of Section 13.6 of the Supplemental Declaration is amended to state as follows: The easement created pursuant to this section shall automatically cease upon the earliest to occur of (i) May 21, 2022, (ii) the date Declarant no longer owns any undeveloped residential Lot, or (iii) the date Declarant delivers written notice to the Association relinquishing this easement.

4. Deletion of Section 15.2.1. Section 15.2.1 of the Supplemental Declaration is deleted in its entirety, effective as of one business day after the recording hereof.

5. Remaining Provisions. Except as expressly amended as set forth above, the Supplemental Declaration is hereby affirmed and ratified and shall remain in full force and effect.

IN WITNESS WHEREOF, Declarant and the President of the Association have executed and delivered this Certificate of Amendment on the date set forth below.

DECLARANT:

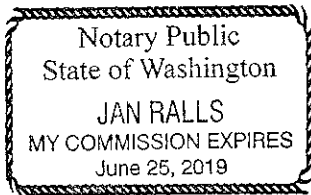
PORT LUDLOW ASSOCIATES LLC

By: *Diana Smeland*
Diana Smeland, President

STATE OF WASHINGTON)
)
) ss.
COUNTY OF JEFFERSON)

On this 19 day of May, 2017, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Diana Smeland to me known to be the President of Port Ludlow Associates LLC, the limited liability company that executed the foregoing instrument, and acknowledged the said 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 she was authorized to execute the said instrument.

WITNESS MY HAND AND OFFICIAL SEAL hereto affixed the day and year first above-written.



Jan Ralls
NOTARY PUBLIC, in and for the
State of Washington, residing at Port Townsend
My commission expires: 06-25-19

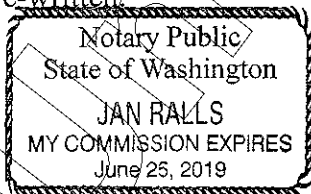
PRESIDENT OF ASSOCIATION:

Diana Smeland
Diana Smeland, President of Olympic Terrace
Division 2 Homeowners Association

STATE OF WASHINGTON)
)
) ss.
COUNTY OF JEFFERSON)

On this _____ day of May, 2017, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Diana Smeland to me known to be the President of the Olympic Terrace Division 2 Homeowners Association, who executed the foregoing instrument, and acknowledged the said instrument to be her free and voluntary act and deed as President of said Association for the uses and purposes therein mentioned, and on oath stated that she was authorized to execute the said instrument.

WITNESS MY HAND AND OFFICIAL SEAL hereto affixed the day and year first above-written.



Jan Ralls
NOTARY PUBLIC, in and for the
State of Washington, residing at Port Townsend
My commission expires: 06-25-19

EXHIBITS:

- A Description of the Property
- B List of Lot Owners

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

PHASE 1 (SUBJECT TO THE SUPPLEMENTAL DECLARATION):

That portion of Resultant Parcel B of the Boundary Line Adjustment recorded under A.F. No. 495995, records of Jefferson County, Washington, more particularly described as follows:

Lots 1 through 41 inclusive and Tract A of the Plat of Olympic Terrace Division 2 Phase 1, recorded in the real property records of Jefferson County, Washington, under A.F. No. 523326,

Situate in Jefferson County, Washington.

PHASE 2 (NOT SUBJECT TO THE SUPPLEMENTAL DECLARATION UNLESS ADDED IN A SUBSEQUENT PHASE AMENDMENT):

That portion of Resultant Parcel B of the Boundary Line Adjustment recorded under A.F. No. 495995, records of Jefferson County, Washington, more particularly described as follows:

Tracts B, C, D, and E of the Plat of Olympic Terrace Division 2 Phase 1, recorded in the real property records of Jefferson County, Washington, under A.F. No. 523326,

Situate in Jefferson County, Washington.