

UHI

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS PURSUANT TO THE HORIZONTAL PROPERTY REGIMES ACT OF THE STATE OF ALASKA

FOR

VICTORIA HILL CONDOMINIUMS

THIS DECLARATION is made on the 15th day of July, 1975, by CONTINENTAL LAND INVESTMENTS, LTD., an Alaskan limited partnership, "Declarant" herein.

P R E A M B L E:

A. Declarant is the owner of real property in the Third Judicial District, State of Alaska, described as:

Lot One (1), KREINHEDER SUBDIVISION, records of the Anchorage Recording District, Third Judicial District, State of Alaska. P-324 75-100

All of the property described above and any improvements thereon shall be referred to herein as the "Project".

B. It is the desire and intention of Declarant to subdivide the Property into condominium estate and to impose mutually beneficial restrictions under a general plan of improvement for the benefit of all the condominium estate created.

C. Declarant hereby declares that all of the Property is and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the following limitations, restrictions, easements, conditions and covenants, all of which are declared and agreed to in furtherance of a plan for the protection, maintenance, improvement and sale of the Property for the purpose of enhancing the value and desirability of the Property. All provisions of this Declaration are hereby imposed as equitable servitudes upon the Property. All of the limitations, restrictions, easements, conditions and covenants herein shall run with the land and shall be binding upon and for the benefit of all of the Property and all parties having or acquiring any right, title or interest in the property or any part thereof.

D. Declarant, his successors, assigns and grantees, covenant and agree that the undivided interest in the common areas and limited common areas and the fee titles to the respective units conveyed therewith shall not be separated or separately conveyed, and each such individual interest shall be deemed to be conveyed or encumbered with its respective unit even though the description in the instrument of conveyance or encumbrance may refer only to the unit. Subsequent to the initial sales of the condominiums, any conveyance of a condominium or a unit, or any portion thereof, by its owner, shall be presumed to convey the entire condominium.

ARTICLE I

Definitions

Section 1. The "Property" shall mean all the real property described above.

Section 2. "Condominium" shall mean an undivided fee ownership interest in the common areas and restricted common areas together with a separate ownership interest in fee in a unit.

Section 3. "Unit" shall mean and include the elements of a condominium not owned in common with the owners of other condominiums in the Property; each of the apartments in the multifamily structure, each separately described and designated in Exhibit "A", which is attached and incorporated herein by this reference, shall be a separate freehold estate consisting of the space bounded by and contained within the interior surfaces of the perimeter walls, floors, roof, windows, and doors of each apartment. In interpreting deeds, declarations and plans, the existing physical boundaries of the unit or a unit constructed in substantial accordance with the original plans thereof shall be conclusively presumed to be its boundaries rather than the description expressed in the deed, plan or declaration, regardless of settling or lateral movement of the building and regardless of minor variances between boundaries as shown on the plan or in the deed and declaration and those of the building as constructed. Concurrently with the recording of this declaration, a survey map and floor plan of the project is being filed in the Anchorage Recording District, Third Judicial District, State of Alaska, under File No. 75-100.

Section 4. "Unit Owner" shall mean the person or persons holding title in fee to a unit.

Section 5. "Project" shall mean the entire Property divided into condominiums, or to be divided into condominiums including all structures thereon, the common areas, the restricted common areas and the units within the Property.

Section 6. "Limited Common Areas" shall mean and include all areas for which exclusive easements are reserved for the benefit of unit owners, including, but not limited to, storage, decks, and assigned parking spaces, as those areas are described on Exhibit B, attached hereto, and as set forth on the survey map and floor plan of the project filed concurrently herewith and incorporated herein by reference.

Section 7. "Common Areas" shall mean and include all areas on the Property except the units and shall further include for maintenance purposes of the Association, but only by way of fee title, all gas, water, and waste pipes, all sewers, all ducts, chutes, conduits, wires and other utility installation of the multifamily structure wherever located (except the outlets thereof when located within the units) the lot upon which the structure is located and the airspace above the structure, all bearing walls, columns, floors, the roof, slab, foundation, balcony walkways, stairways, entryways, landscaping, trash container, and all recreational facilities.

Section 8. "Residence" shall mean and include a unit and its corresponding limited common areas over which the unit owner has an exclusive easement as provided for herein.

Section 9. "Common Assessment" shall mean the portion of the costs of maintaining, improving, repairing and managing the Project and all other common expenses, including operational costs for the common areas, which are to be paid by each unit owner to the Association for common expenses and charged to his condominium.

Section 10. "Special Assessment" shall mean a charge against a particular unit owner and his condominium, directly attributable to the unit owner, equal to the cost incurred by the Association for corrective action performed pursuant to the provisions of this Declaration, plus interest thereon as provided for in this Declaration.

Section 11. "Reconstruction Assessment" shall mean a charge against each unit owner and his condominium, representing a portion of the cost to the Association for reconstruction of any portion or portions of the Project pursuant to the provisions of Article V.

Section 12. "Capital Improvement Assessment" shall mean a charge against each unit owner and his condominium, representing a portion of the cost to the Association for installation or construction of any capital improvements on any of the common areas or the limited common areas which the Association may from time to time authorize.

Section 13. "Association" shall mean the Victoria Hill Condominium Association.

Section 14. "Common Expenses" shall mean the actual and estimated costs of: maintenance, management, operation, repair and replacement of the common areas and limited common areas (to the extent not paid by the unit owner responsible for payment), including unpaid special reconstruction and capital improvement assessments; costs of management and administration of the Association, including but not limited to compensation paid by the Association to managers, accountants, attorneys and other employees; the costs of utilities, gardening and other services benefiting the common areas and limited common areas; the costs of fire, casualty, liability, workmen's compensation, and other insurance covering the project; the cost of bonding of the members of the management body; taxes paid by the Association; amounts paid by the Association for discharge of any lien or encumbrance levied against the entire Project or portions thereof; and the costs of any other item or items designated by, or in accordance with other expenses incurred by, the Association for any reason whatsoever.

Section 15. "Mortgage - Mortgagee - Mortgagor". Reference in this Declaration to a mortgage shall be deemed to include a deed of trust; reference to a mortgagee shall be deemed to include the beneficiary of a deed of trust; reference to a mortgagor shall be deemed to include the trustor of the deed of trust.

Section 16. "Family" shall mean a group of natural persons related to each other by blood or legally related to each other by marriage or adoption.

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Section 17. "Board of Directors" shall mean the Board of Directors of the Association.

ARTICLE II

Residence and Use Restrictions

Section 1. Single Family Residence. Residences shall be used exclusively for single family residential purposes, subject to the exemption granted Declarant under Article XII, Section 3 of this Declaration.

Section 1A: Description of Residence Buildings. There are two condominium buildings in the Project, Building "A" and Building "B", each building containing six (6) condominium units. The buildings are more particularly described on Exhibit "C", attached hereto.

Section 2. Parking and Vehicular Restrictions. No vehicle which shall not be in an operating condition shall be parked or left on the property subject to this declaration other than on an assigned parking space. The parking spaces shall be used for parking vehicles only and shall not be converted for living, recreational or business purposes. There shall be no exposed storage deposited, accumulated or preserved anywhere on the Property. Parking spaces and storage areas are located and assigned to the residences as shown on the filed floor plan of the Project.

Section 3. Nuisances. No noxious or offensive activities (including but not limited to the repair of automobiles) shall be carried on upon the Project. No horns, whistles, bells or other sound devices, except security devices used exclusively to protect the security of a residence and its contents, shall be placed or used in any such residence. No loud noises shall be permitted on the Property, and the Board of Directors of the Association shall have the right to determine if any noise or activity producing noise constitutes a nuisance. No unit owner shall permit or cause anything to be done or kept upon the Property which will increase the rate of insurance thereon or which will obstruct or interfere with the rights of other unit owners, nor will he commit or permit any nuisance on the premises, or commit or cause any immoral or illegal act to be committed thereon. Each unit owner shall comply with all of the requirements of the local or state health authorities and with all other governmental authorities with respect to the occupancy and use of a residence.

Section 4. Signs. No signs, posters, displays or other advertising devices of any character shall be erected or maintained on, or shown or displayed from the residences without prior written approval having been obtained from the Board of Directors of the Association; provided, however, that the restrictions of this paragraph shall not apply to any sign or notice of customary and reasonable dimension which states that the premises are for rent or sale. Address, identification signs and mail boxes shall be maintained by the Association. The Board of Directors may summarily cause all unauthorized signs to be removed and destroyed. This section shall not apply to any signs used by Declarant or its agents in connection with the original construction and sale of the condominiums as set forth in Article XII, Section 3.

Section 5. Hold Harmless and Indemnification.

Each unit owner shall be liable to the Association for any damage to the common areas of any type or any equipment thereon which may be sustained by reason of the negligence of said unit owner or of his guests or invitees, to the extent that any such damage shall not be covered by insurance. Each unit owner does further, by the acceptance of his deed, agree to indemnify each and every other unit owner, and to hold him or her harmless, from any claim of any person for personal injuries or property damage occurring within the residence of the unit owner, unless said injury or damage shall occur by reason of the negligence of any other unit owner, and each unit owner further agrees to defend, at his expense, any and all remaining owners who may be sued by any person for a claim for personal injury or property damage alleged to have been sustained within the residence of that unit owner.

Section 6. Outside Installations.

No outside television or radio pole, antenna or clothesline shall be constructed, erected or maintained on any residence. No wiring or installation of air conditioning or other machine shall be installed on the exterior of the building of the Project or be allowed to protrude through the walls or roof of the building, unless the prior written approval of the Board of Directors is secured. No basketball standards or fixed sports apparatus shall be attached to any residence without the prior written approval of the Board of Directors.

Section 7. Pet Regulations.

No animals, livestock, or poultry shall be kept in any residence except that domestic dogs, cats, fish and birds in inside bird cages may be kept as household pets within any residence provided that they are not kept, bred or raised therein for commercial purposes or in unreasonable quantities. As used in this Declaration "unreasonable quantities" shall be deemed to limit the number of dogs, cats and birds to two (2) each. The Association shall have the right to prohibit maintenance of any animal which constitutes in the opinion of the directors of the Association, a nuisance to any other unit owner. Dogs and cats belonging to unit owners, occupants or their licensees must be either kept within an enclosure, an enclosed balcony or on a leash being held by a person capable of controlling the animal. The enclosure must be maintained so that the animal cannot escape therefrom and shall be subject to the approval of the Board of Directors of the Association. Should any dog or cat belonging to a unit owner be found unattended out of the enclosure and not being held on a leash by a person capable of controlling the animal, such animal may be removed by Declarant (other person or occupant or unit owner within the Property), or a person designated by them so to do, to a pound under the jurisdiction of the local municipality in which the property is situated and subject to the laws and rules governing said pound, or to a comparable animal shelter. Furthermore, any unit owner shall be absolutely liable to each and all remaining owners, their families, guests and invitees, for any damage to person or property caused by any pets brought or kept upon the Property by an owner or by members of his family, guests, licensees or invitees.

Section 8. View Obstructions.

No vegetation or other obstruction shall be planted or maintained upon any

balcony in such location or of such height as to unreasonably obstruct the view from any other residence in the vicinity thereof. In the event of a dispute between owners of units as to the obstruction of a view from a residence, such dispute shall be submitted to the Board of Directors, whose decision in such matters shall be binding. Any such obstruction shall, upon request of the Board, be removed or otherwise altered to the satisfaction of the Board by the owner of the residence upon which said obstruction is located.

Section 9. Business or Commercial Activity. No business or commercial activity shall be maintained or conducted in any residence, except that Declarant or a person designated by the Association as Agent of the Association for purposes of managing the Property may maintain management offices and facilities in a residence or in a temporary structure constructed on the Project. Provided, however, that professional and administrative occupations may be carried on within the residences so long as there exists no external evidence thereof.

Section 10. Temporary Structure. No temporary structure, boat, truck, trailer, camper or recreation vehicle of any kind shall be used as a living area while located on the Project; however, trailers or temporary structures for use incidental to the initial construction of the improvements on the Property may be maintained thereon, but shall be removed within a reasonable time, upon completion of construction of the Project.

Section 11. Rubbish Removal. Trash, garbage, or other waste shall be disposed of only by depositing same, wrapped in a secure package, into a designated trash container. No owner of a unit shall permit or cause any trash or refuse to be disposed of on any portion of the Project subject to this Declaration. No portion of the Project shall be used for the storage of building materials, refuse or any other materials other than in connection with approved construction. There shall be no exterior fires whatsoever except barbeque fires contained within receptacles thereof.

Section 12. Lease of Units. Unit owners may lease their unit to third parties, but such a lease arrangement must be in writing and shall provide that the failure to comply in all respects with the provisions of their declaration and the association bylaws shall be a default under the terms of the lease. No unit owner may lease his unit for transient or hotel purposes.

ARTICLE III

Architectural Provisions

Excepting the interior of units, no replacement, addition, or alteration of the building, structure, fence, drainage facility, common or limited common area landscaping or planting shall be effected on any residence other than by Declarant until the plans, specifications and plat plan showing the location and nature of such replacement, addition, alteration or removal have been submitted to and approved in writing by the Board of Directors; nor shall any exterior painting or decorative alteration be commenced until the Board has approved the plans therefor, including

the proposed color schemes, design thereof and the quality of materials to be used. All such plans and specifications shall be prepared by an architect or landscape architect, said person to be employed by the unit owner making application at his sole expense. Plans and resubmittals thereof shall be approved or disapproved within thirty (30) days. Failure of the Board to respond to a submittal or resubmittal of plans within such period shall be deemed to be approval of the plans as submitted or resubmitted. The approval of the plans and specifications may be withheld not only because of noncompliance with any of the specific conditions, covenants and restrictions contained in this Declaration, but also by reason of reasonable dissatisfaction of the Board with the location of the structure on the residence, the elevation, color scheme, finish, design, proportions, architecture, shape, height style and appropriateness of the proposed structure or altered structure, the materials used therein, or because of its reasonable dissatisfaction with any or all other matters or things which in the reasonable judgment of the Board will render the proposed investment inharmonious or out of keeping with the general plan of improvement of the Property or with the improvements erected on other residences. If, after such plans and specifications have been approved, the improvements are altered, erected or maintained upon the residence otherwise than as approved by the Board, such alteration, erection and maintenance shall be deemed to have been undertaken without the approval of the Board having been obtained as required by the Declaration. After the expiration of one (1) year from the date of completion of any improvement, said improvement shall, in favor of purchasers and encumbrancers, in good faith and for value, be deemed to comply with all of the provisions hereof unless a notice of such non-compliance or non-completion, executed by one member of the Board, shall appear of record in the Office of the Recorder, Anchorage Recording District, or legal proceedings shall have been instituted to enforce compliance with these provisions. The approval of the Board of any plans or specifications submitted for approval as herein specified for use on any residence shall not be deemed to be a waiver by the Board of its right to object to any of the features or elements embodied in such plans and specifications, if or when the same features or elements are embodied in any subsequent plans and specifications submitted for approval as herein provided for use on other residences. No member of the Board shall be liable to any person for his decisions or failure to act in making decisions as a member of said Board. The members of the Board shall receive no compensation for their services performed pursuant to this Declaration. Upon approval of the Board, it shall be conclusively presumed that the location and height of any improvement does not violate the provisions of this Declaration.

ARTICLE IV

Repair and Maintenance

Section 1. Repair and Maintenance Duties of Association. The Association shall maintain, repair and make necessary improvements to and pay for out of the maintenance fund to be provided, all common areas and the building thereon; all corrective architectural, landscaping and repair work within residences, if the unit owner fails to

repair the areas subject to his control and duty to maintain; all metered utilities in common areas; all parking areas, ramps, walks and other means of ingress and egress within the Project. To the extent not assessed to or paid by the unit owners, the Association shall pay all real and personal property taxes and assessments levied upon any portion of the common areas or limited common areas. It shall further be the affirmative duty of the Association to require strict compliance with all provisions of this Declaration and to inspect the Property for any violations thereof.

Section 2. General Powers of the Association.

The Association shall have all of the powers set forth in its Articles of Incorporation, together with its general powers as a nonprofit corporation, generally to do any and all things that a corporation organized under the laws of the State of Alaska may lawfully do in operating for the benefit of its members, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Articles, the ByLaws and in this Declaration and to do any and all acts which may be necessary or proper for or incidental to the exercise of any of the express powers of the Association or for the peace, health, comfort, safety and general welfare of the unit owners and their guests.

Section 3. Special Powers of Association.

Without in any way limiting the generality of the foregoing, in the event that the Association determines that an improvement is in need of repair, restoration or painting, or that landscaping is in need of installation, repair, or restoration, or that an improvement is in existence without proper approval of the Board, or that there is a violation of any provision of this Declaration, then the Association shall give written notice to the unit owner of the condition or violation complained of, and unless the Board has approved in writing corrective plans proposed by the unit owner to remedy the condition complained of within such period of time as may be determined reasonable by the Association after it has given written notice, and such corrective work so approved is completed thereafter within the time allotted by the Association, the Association shall undertake to remedy such condition or violation complained of and the cost thereof shall be charged to the unit owner and his condominium whose residence is the subject matter of the corrective work, and such cost shall be deemed to be a Special Assessment to such unit owner, and his condominium, and subject to levy, enforcement and collection by the Association in accordance with the assessment lien procedure provided for in this Declaration.

Section 4. Rights of Entry.

The Association shall have a limited right of entry in and upon all limited common areas and the exterior of all units for the purpose of taking whatever corrective action may be deemed necessary or proper by the Association. Nothing in this Article shall in any manner limit the right of the unit owner to exclusive control over the interior of his unit. Provided, however, that an owner shall grant a right of entry to the Association, or any other person authorized by the Association, in case of any emergency originating in or threatening his unit, whether the owner is present or not. Provided, further, that an owner shall permit other owners or their

representatives to enter his unit for the purpose of performing required installation, alterations or repair of the mechanical or electrical services to a residence, provided that requests for entry are made in advance and that such entry is at a time convenient to the owner whose unit is to be entered. In case of an emergency, such right of entry shall be immediate.

Section 5. Miscellaneous Duties and Powers. The Association shall have the right to install or construct capital improvements on any of the common or limited common areas. The Association may at any time, and from time to time reconstruct, replace or refinish any improvement or portion thereof upon the common areas in accordance with the original design, finish or standard of construction of such improvement; construct, reconstruct, replace or refinish any surface upon any portion of common areas designated as a parking area; replace destroyed trees or other vegetation and plant trees, shrubs and ground cover upon any portion of the common areas; and place and maintain upon the common areas such signs as the Association may deem necessary for their identification, for regulation of traffic, including parking, the regulation and use of the common areas, and for the health, welfare and safety of unit owners and their guests. The Association may delegate all of the powers contained in the Declaration to any management organization or individual, and the Association may employ personnel necessary for the effective operation and maintenance of the building and common areas of any type described herein, including the employment of legal and accounting services.

Section 5. Repair and Maintenance by Unit Owner. Each unit owner shall maintain, repair, replace and restore all portions of his residence, including the interior walls, ceilings, windows, floors, doors, and permanent fixtures and limited common areas subject to his exclusive control, in a clean, sanitary and attractive condition, subject to control and approval of the Board.

ARTICLE V

Destruction of Improvements

Section 1. Partial Destruction. Except as otherwise provided in this Declaration, in the event of partial destruction of the building, it shall be the duty of the Association to restore and repair the same to its former condition, as promptly as practical. The proceeds of any insurance maintained pursuant to Article IX hereof shall be used for such purpose subject to the prior rights of beneficiaries of deeds of trust whose interest may be protected by said policies. In the event that the amount available from the proceeds of such insurance policies for such restoration and repair shall be at least eighty-five percent (85%) of the estimated cost of restoration and repair, a special assessment of the owners, with each owner contributing a percentage equal to the owners' percentage interest in the common areas as set forth in Exhibit "D", may be levied by the Association to provide the necessary funds for such reconstruction, over and above the amount of any insurance proceeds available for such purpose. In the event

that the amount available from the proceeds of such insurance policies for such restoration and repair shall be less than eighty-five percent (85%) of the estimated cost of restoration and repair, the unit owners by the vote of not less than seventy-five percent (75%) of the owners present and entitled to vote, in person or by proxy, at a duly constituted meeting of the members of the Association shall determine whether the Association shall be authorized to proceed with such restoration and repair or not. In the event of a determination by the owners as provided above that the cost of such restoration and repair would be substantial and that it would not be in their best interests to proceed with the same, the owners may, at their discretion, proceed as provided in Section 2 below.

Section 2. Total Destruction. In the event of the total destruction of the building, the unit owners, by said requisite vote, shall likewise have the authority to determine whether said improvements shall be rebuilt, or whether the Project shall be sold. In the event of a determination to rebuild, the necessary funds shall be raised as provided in Section 1 above, and the Association shall be authorized to have prepared the necessary plans, specifications and maps, and to execute the necessary documents to effect such reconstruction as promptly as practical. The project shall be reconstructed or rebuilt in accordance with the original plans of construction unless changes recommended by the Association shall have been approved in writing by seventy-five percent (75%) of the owners and by the holders of record of encumbrances upon their condominiums. A certificate of the resolution authorizing such reconstruction shall be filed with the District Recorder within six (6) months from the date of such destruction and in the event of a failure to record such certificate within said period, it shall be conclusively presumed that the owners have determined not to rebuild said improvements. In the event of a determination not to rebuild, the Association shall be authorized to have prepared and to file as promptly as practical, a corrected subdivision map converting the Project into an unimproved parcel of land, which shall be offered for sale at the highest and best price obtainable, either in its damaged condition, or after damaged structures have been razed. The net proceeds of such sale, and the proceeds, if any, of insurance carried by the Association shall be divided proportionately among the owners, such proportions to be based upon the original base sales price of each unit at the time it was initially sold by Declarant, provided that the balance then due on any valid encumbrance of record shall be first paid in order of priority before the distribution of any proceeds to an owner whose condominium is so encumbered.

Section 3. Right to Partition. Nothing herein shall be deemed to prevent partition of a co-tenancy in any condominium. The common elements shall be owned in common by all owners of condominium units and no owner may bring any action for partition thereof. Any partition permitted herein shall require the prior written approval of the first mortgage holder.

and severally liable with the grantor for all unpaid assessments by the Association against the latter for his share of the common expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. However, any such grantee shall be entitled to a statement from the Association or the Management Agent of the Association, and such grantee shall not be liable for, nor shall the condominium conveyed be subject to a lien, as provided for in Section 3 hereof, for any unpaid assessments made by the Association against the grantor in excess of the amount set forth in the statement; provided, however, that the grantee shall be liable for any such assessment becoming due after the date of any such statement.

Declarant shall pay its full prorata share of said common expenses on all unsold condominiums in the Property. The Declarant shall have the authority to expend therefrom necessary funds for required maintenance of the common areas of said Property or for the common benefit of all the owners. No expenditure may be made from the reserve fund for the cost of any labor or material required in connection with the construction of any part or portion of the Project or any of the improvements thereon, which are part of the original plans and specifications therefor. Within thirty (30) days following the first meeting of the Association, Declarant shall be required to present to the owners a written financial statement of the deposits in and withdrawals from said fund from the date of establishment thereof. After the first meeting, Declarant shall be obligated to pay to the Association a maintenance charge, as hereinbefore provided, for each unsold condominium. The Association shall prepare or cause to be prepared written statement of income and expense to be distributed to all unit owners in such frequency and at such intervals as deemed appropriate by the Board of Directors of the Association.

Section 2. Delinquencies. There shall accrue with each delinquent assessment, a late charge of FIVE DOLLARS (\$5.00) together with interest at the maximum rate permitted by law on such delinquent sums, calculated from the date of delinquency to and including the date full payment is received by the Association. The Association may cause to be recorded in the Office of the Recorder, Anchorage Recording District, a notice of any delinquent sums due the Association from any condominium owner. Such notice shall state the amount of such delinquent sums and other authorized charges and interest, including the cost of recording such notice, the expenses of collection in connection with the delinquent sums, reasonable attorneys' fees, a sufficient description of the condominium against which the same has been assessed, the name and address of the Association and the name of the record owner thereof. Such notice shall be signed by an authorized representative of the Association.

Upon payment to the Association of such delinquent sums and charges in connection therewith, or other satisfaction thereof, the Association shall cause to be recorded a further notice stating the satisfaction and release of such delinquent sums and charges. The Association may demand and receive the cost of recordation of such release before recording the same. Any Purchaser or encumbrancer, acting in good faith and for value may rely upon such notice of satisfaction and release as conclusive evidence of the full satisfaction of the sums stated in the notice of delinquent sums. In the event of default by any unit owner in the

payment of any assessment, the Association shall notify all persons and firms holding a mortgage or deed of trust by any unit owner on any condominium on the Project.

Section 3. Liens, Enforcement. All sums assessed in accordance with the provisions of this Declaration shall constitute a lien on the respective condominium prior and superior to all other liens except (1) all taxes, bonds, assessments, and other levies which, by law, would be superior thereto, and (2) the lien or charge of any first mortgage of record (meaning any recorded mortgage or deed of trust with first priority or seniority over other mortgages or deeds of trust) made in good faith and for value and recorded prior to the date on which the lien became effective. It shall be the duty of the Association to enforce such lien by one or more of the alternative means of relief afforded by this Declaration. Such lien, when delinquent may be enforced by sale by the Association, its attorney or other person authorized to make the sale, after failure of the owner to pay an assessment in accordance with its terms, such sale to be conducted in accordance with the provisions of the Alaska statutes applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any manner permitted by law. In any such foreclosure, the condominium owner shall be required to pay a reasonable rental for the condominium and the plaintiff in such foreclosure sale and to acquire and hold, lease, mortgage and convey the same. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the same, and this provision or any institution of suit to recover a money judgment shall not constitute an affirmation of the adequacy of money damages. Any recovery resulting from a suit in law or equity initiated pursuant to this section may include reasonable attorneys' fees as fixed by the court.

ARTICLE VII

The Association

Section 1. Formation and Membership. The Association shall be incorporated under the name of Victoria Hill Condominium Association, as a corporation not for profit under the laws of the State of Alaska. Every unit owner who is subject to assessment shall automatically, upon becoming the owner of a condominium, be a member of the Association, and shall remain a member thereof until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically cease. A person shall be deemed an owner of a condominium only upon recordation of a deed conveying the condominium to him, and the membership shall be appurtenant to the condominium conveyed.

Section 2. Duties and Powers. The duties and powers of the Association are those set forth in this Declaration, the Articles of Incorporation and the Bylaws, together with those reasonably implied to effect the purposes of the Association and this Declaration.

Section 3. Priorities and Inconsistencies. If there are conflicts or inconsistencies between this Declaration and either the Articles of Incorporation or the Bylaws, the terms and provisions of this Declaration shall prevail.

Section 4. Use of Agent. This Association may contract with a management company as agent for the performance of maintenance and repair and for conducting other activities on behalf of the Association.

Section 5. Shares and Voting. At any meeting of the Association, each condominium owner including Declarant as to those condominiums not sold, shall be entitled to vote the percentage of interest set forth on Exhibit "D". Where there is more than one record owner of a condominium, any or all of such persons may attend any meeting of the Association, but it shall be necessary for those owners present to act unanimously in order to cast the vote to which the condominium is entitled. All agreements and determinations lawfully made by the Association in accordance with the voting percentages established herein, shall be deemed to be binding on all owners of condominiums, their successors and assigns.

Section 6. Expandable Association Membership. It is the intention of the declarant to submit certain land adjacent to the project to the Horizontal Property Regimes Act of the State of Alaska and to construct thereon additional condominium units not to exceed one hundred (100) units. At such time as those additional units are completed, each unit owner who becomes subject to assessments as called for in that project's governing declaration shall become a member of the Victoria Hill Condominium Association created herein. It is the intent of the declarant to have a single association to manage the common areas of the respective adjoining projects and to levy and fix assessments therefor. This shall in no way alter the interest of the unit owners in the common areas of their respective projects which shall be governed by the submitting declaration.

ARTICLE VIII

Rights of Mortgagee

Section 1. Priority. Where the mortgage of a first mortgage of record which is recorded prior to the date on which the assessment lien became effective, or other Purchaser of a condominium obtains title to the same as a result of foreclosure of any such first mortgage, the acquirer of title, his successor and assigns, shall not be liable for the share of the common expenses or assessments by the Association chargeable to such condominium which became due prior to the acquisition of title to such condominium by such acquirer, but shall be subject to any future assessments which become due subsequent to his acquisition of title. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectable from all of the condominiums including such acquirer, his successors and assigns.

Section 2. Default. A breach of any of the provisions, covenants, restrictions or limitations hereof, or the recordation of any lien or assessment hereunder, or the

pursuit of any remedy hereunder, shall not defeat or render invalid the lien of any mortgage made by a unit owner in good faith and for value upon the interest of a unit owner. All of the provisions herein shall be binding upon and effective against any owner whose title to said property is hereafter acquired through foreclosure or trustee's sale.

Section 3. Right to Inspect Association Records and Notice. The holder of a first mortgage of record, its successors or assigns, shall have the right to inspect the Association's books of account and other financial records, and shall also be able to require the Association to provide to it such additional financial data as may be reasonably requested to protect its interests, including annual audited financial statements. Written notice of all association meetings shall be sent to first mortgagees of record who may designate an agent to attend such meetings.

Section 4. Abandonment. The condominium status of the Project shall not be abandoned without first obtaining the prior written approval of the first mortgage holder, nor shall there be any change in the percentage interests of the unit owners without first obtaining the prior written approval of the first mortgage holder.

Section 5. Prior Approval. Nothing in this Declaration or the Bylaws of the Association of Apartment Owners provided for herein to the contrary, prior written approval of the holder of the first mortgages or deeds of trusts covering all or any portion of the Project shall be a condition precedent to the effectiveness of any of the following actions:

- (a) Removal of all or any portion of the property or project from the provisions of the Horizontal Property Regimes Act pursuant to Alaska Statute 34.07.330, or as said statute may be amended from time to time.
- (b) The partition or subdivision of any unit, or of the common elements.
- (c) A change in the pro-rata interest or obligation of any unit for purposes of levying assessments or charges or allocating distributions of hazard insurance proceeds of condemnation awards.
- (d) A change in the percentage interests of the unit owners in the common elements.
- (e) The abandonment of the condominium status of the Project, except for abandonment provided under the provisions of the Horizontal Property Regimes Act in case of substantial loss to the units and common elements.
- (f) Any abandonment, partition, subdivision, encumbrance, sale, or transfer of all or any portion of the common elements.
- (g) The use of hazard insurance proceeds for losses to any condominium property, whether to a unit or to the common elements, for other than the repair, replacement, reconstruction of such improvements except as provided in

the Horizontal Property Regimes Act in the case of substantial loss to the units and common elements.

ARTICLE IX

Insurance

Section 1. Types. The Association shall obtain and continue in effect adequate blanket public liability insurance for the common areas, and fire insurance with extended coverage for the full insurable value of the Project. Such insurance shall be maintained by the Association for the benefit of the Association, the unit owners, and the encumbrances upon the Property or any part thereof as their interests may appear with underlying coverage on the individual units. The Association may purchase such other insurance as it may deem necessary, including but not limited to, plate glass insurance, fidelity bonds and workmen's compensation. Each owner shall provide insurance on his personal property. Nothing herein shall preclude any individual owner from carrying any public liability insurance as he may deem advisable to cover his individual liability for damages to person or property occurring inside his individual unit or elsewhere upon the premises.

Section 2. Premiums and Proceeds. Insurance premiums for any such blanket insurance coverage obtained by the Association and any other insurance deemed necessary by the Association shall become a common expense to be included in the regular assessments levied by the Association for the repair or replacement of the property for which the insurance was carried or otherwise disposed of as provided in Article V of this Declaration. The Association is hereby granted the authority to negotiate loss settlements with the appropriate insurance carriers. Any two directors of the Association may sign a loss claim form and release form in connection with the settlement of a loss claim, and such signature shall be binding on all the unit owners.

ARTICLE X

Duration and Amendment

Section 1. Duration. This Declaration shall continue in full force for a term of fifty (50) years from the date hereof, after which time the same shall be automatically extended for successive periods of ten (10) years, unless a declaration of termination is recorded in the public records of the Anchorage Recording District, State of Alaska, meeting the requirements of an amendment to this Declaration as set forth in Section 2 of this Article and the requirements set forth in Article VIII, Section 4, if applicable. There shall be no severance by sale, conveyance, encumbrance or hypothecation of an interest in any unit from the concomitant membership in the Association as long as this Declaration shall continue in full force and effect.

Section 2. Amendment. Notice of the subject matter of a proposed amendment to this Declaration in reasonably detailed form shall be included in the notice of any meeting of the Association at which a proposed amendment is to be considered. A resolution adopting a proposed amendment may be proposed by a condominium owner at a meeting of members of the Association. The Resolution shall be adopted

by approval of condominium owners owning in the aggregate not less than seventy-five percent (75%) of the condominiums. A copy of each amendment shall be certified by at least two officers of the Association and the amendment shall be effective when recorded in the public records, Anchorage Recording District, State of Alaska. Provided, that any of the following amendments to be effective must be approved in writing by the record holders of all encumbrances on any condominiums at the time of such amendment.

- (1) Any amendment which affects or purports to affect the validity or priority of encumbrances or the rights or protection granted to encumbrancers as provided herein.
- (2) Any amendment which would necessitate an encumbrancer after it has acquired a condominium through foreclosure to pay more than its proportionate share of any unpaid assessment or assessments accruing prior to such foreclosure.
- (3) Any amendment which would or could result in an encumbrance being cancelled by forfeiture, or in the individual condominiums not being separately assessed for tax purposes.
- (4) Any amendment relating to the Insurance Provisions as set out in Article VIII hercof, or to the application of insurance proceeds as set out in Article V hereof, or to the disposition of any money received in any taking under condemnation proceedings.

A certificate, signed and sworn to by a majority of the Association, that the record owners of seventy-five percent (75%) of the condominiums have either voted for or consented in writing to any amendment adopted as above provided, when recorded, shall be conclusive evidence of such fact. The Association shall maintain in its files the record of all such votes or written consents for a period of at least four (4) years. Any amendment which requires the written consent of all the record holders of encumbrances shall be signed and sworn to by all such encumbrancers. When recorded, it shall be noted that such amendments have been so approved.

Section 3. Amendment by Declarant. Notwithstanding the foregoing, until the close of any escrow for the sale of a condominium in the Project, Declarant shall have the right to terminate or modify this Declaration by recordation of a supplement thereto setting forth such termination or modification. For purposes of this Declaration, the close of escrow shall be deemed to be the date upon which a deed conveying a condominium is recorded.

ARTICLE XI

Condemnation

Section 1. Consequences of Condemnation. If at any time or times during the continuance of the condominium ownership pursuant to this Declaration, all or any part of the Project shall be taken or condemned by any public au-

thority or sold or otherwise disposed of in lieu of or in advance thereof, the provisions of this Article shall apply.

Section 2. Proceeds. All compensation, damages, or other proceeds therefrom, the sum of which is hereinafter called the "Condemnation Award", shall be payable to the Association, in trust for the purposes set forth herein.

Section 3. Complete Taking. In the event that the entire Project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership pursuant thereto shall terminate. The Condemnation Award shall be apportioned among the unit owners in proportion to the respective undivided interests in the common elements, provided that if a standard different from the value of the Project as a whole is employed to measure the Condemnation Award in the negotiation, judicial decree or otherwise, then in determining such shares the same standard shall be employed to the extent it is relevant and applicable.

On the basis of the principle set forth in the last preceding paragraph, the Association shall as soon as practicable determine the share of the Condemnation Award to which each owner is entitled and make payment accordingly.

Section 4. Partial Taking. In the event that less than the entire Project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership hereunder shall not terminate. Each owner shall be entitled to a share of the Condemnation Award to be determined in the following manner:

(a) As soon as practicable, the Association shall, reasonably and in good faith, allocate the Condemnation Award between compensation damages, or other proceeds, and shall apportion the amounts so allocated to taking of or injury to the common elements and shall be apportioned among owners in proportion to their respective undivided interests in the common elements;

(b) the total amount allocated to severance damages shall be apportioned to those condominium units which were not taken or condemned;

(c) the respective amounts allocated to the taking of or injury to a particular unit and/or improvements to the particular unit involved, and

(d) the amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Association determines to be equitable in the circumstances.

If an allocation of the Condemnation Award is already established in negotiation, judicial decree, or otherwise, then in allocating the Condemnation Award the Association shall employ such allocation to the extent it is relevant and applicable. Distribution of apportioned proceeds shall be made by check payable jointly to the respective owners and their respective mortgagees.

Section 5. Reorganization. In the event a partial taking results in the taking of a complete unit, the owner thereof automatically shall cease to be a member of the Association. Thereafter, the Association shall reallocate the ownership, voting rights, and assessments ratio determined in accordance with this Declaration according to the same principles employed in this Declaration at its inception and shall submit such reallocation to the owners of remaining units for amendment of this Declaration as provided in Article X hereof.

Section 6. Notice to Mortgagee. The institutional holder of a first mortgage on any unit shall be given written notice of any condemnation proceeding described herein.

ARTICLE XII

Miscellaneous

Section 1. Legal Proceedings. Failure to comply with any of the terms of the condominium documents and regulations adopted pursuant thereto shall be grounds for relief which may include, without limiting same, an action to recover sums due for damages, injunctive relief, foreclosure of lien, or any combination thereof, which relief may be sought by the Association or, if appropriate, by an aggrieved unit owner. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of the Project, and any violation of this Declaration shall be deemed to be a nuisance. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provision, or any other provision hereof. Any unit owner not at the time in default hereunder, or Declarant, shall be entitled to bring an action for damages against any defaulting unit owner, and in addition may enjoin any violation of this Declaration. Any judgment rendered in any action or proceeding pursuant hereto shall include a sum for attorneys' fees in such amount as the court may deem reasonable, in favor of the prevailing party. Each remedy provided for in this Declaration shall be cumulative and not exclusive or exhaustive.

Section 2. Severability. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or enforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provisions hereof.

Section 3. Construction by Declarant. Nothing in this Declaration shall limit the right of Declarant to complete construction of improvements to the common areas and to units owned by Declarant or to alter the foregoing, or to construct such additional improvements as Declarant deems advisable prior to completion and sale of the entire project. Such right shall include but shall not be limited to erecting, constructing and maintaining on the Project such structures and displays as may be reasonably necessary for the conduct of its business of completing the work and disposing of the same by sale, lease or otherwise. This

Declaration shall not limit the right of Declarant at any time prior to acquisition of title by a purchaser from Declarant to establish on the Project additional easements, reservations and rights-of-way to itself, to utility companies, or to others as may from time to time be reasonably necessary to the proper development and disposal of the Project. Prospective purchasers and Declarant shall have the right to use all common areas and limited common areas for access to the sales facilities of Declarant. Declarant reserves the right to alter its construction plans and designs as it deems appropriate. The rights of Declarant hereunder may be assigned by Declarant to any successor to all or part of Declarant's interest in the Project, by an express assignment incorporated in a recorded deed transferring such interest to such successor.

Section 4. Easements. Declarant expressly reserves for the benefit of owners in the Project reciprocal easements of access, ingress and egress over all of the common areas. Such easements may be used by Declarants, successors, purchasers and all unit owners, their guests, tenants and invitees, residing or temporarily visiting the Project, for pedestrian walkways, vehicular access and such other purposes reasonably necessary to use and enjoyment of a unit in the Project. Such easements shall be appurtenant to and shall pass with the title to every unit conveyed. The Declarant expressly reserves for the benefit of each unit owner an exclusive easement for use of those areas depicted on the condominium plan as limited common areas, attic storage, balconies and parking spaces (carports), as assigned to each unit owner for his numbered unit. All building walls shall be considered to adjoin and abut the wall of the contiguous residence against the surface from the bottom of the foundation of the building. Both Declarant and unit owners of contiguous residences shall have a reciprocal easement appurtenant to each of the residences over the residences for the purposes of accommodating any natural settling of the building housing their respective units. Such right of use shall be as not to interfere with the use and enjoyment of the owners of adjoining residences and in the event that any such contiguous wall is damaged or injured from any cause other than the act or negligence of one of the owners, the same shall be repaired or rebuilt at their joint expense. Notwithstanding the provisions of Article V, Section 1, dealing with partial destruction of improvements, this provision shall apply wherever the destruction of said improvements is not substantial. A substantial destruction of any residence on the Property shall be deemed to be destruction which shall exceed five percent (5%) of the residence.

Section 5. Valuation of Unit and Property and Voting Rights. Each unit described herein is valued as set forth in Exhibit "D", the total value of such units being the value of property comprising the Project. The owner of each unit shall have an undivided interest in the common areas and facilities appertaining to each unit for all purposes, except voting as set forth in Exhibit "D".

Section 6. Service of Process. The name and residence of the person to receive service of process in the cases provided for in the Horizontal Property Regimes Act of the State of Alaska is:

Bear and Fritz, Inc.
General Partner for Continental
Land Investments, Ltd., a
limited partnership
406 "G" Street
Anchorage, Alaska

This Declaration has been executed on the date first hereinabove written.

CONTINENTAL LAND INVESTMENTS
LTD., a limited partnership

By: Hubert J. Cellert
President

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 15th day of July, 1975, before me, a notary public, duly commissioned and sworn, personally appeared Hubert J. Cellert, President known to me to be the General Partner of CONTINENTAL LAND INVESTMENTS, LTD., a limited partnership, and he acknowledged to me that he executed the foregoing instrument, and he acknowledged to me that he signed the foregoing freely and voluntarily on behalf of said limited partnership for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first hereinabove written.

Judy A. Robinson
Notary Public in and for Alaska
My commission expires: 4/24/78



EXHIBIT "A"

Description of Units

Unit No. A-1

Unit No. A-1 is located on the south side of Building "A" and is a lower level, one-level unit containing living room, dining area, kitchen, one bath, two bedrooms, coat closet with hot water heater for unit A-1 only, additional coat closet, and washer-dryer area. Approximate total square feet: 947.

Unit No. A-2

Unit No. A-2 is located on the north side of Building "A" and is a lower level, one-level unit containing living room, dining area, kitchen, one bath, two bedrooms, coat closet with hot water heater for Unit A-2 only, additional coat closet, and washer-dryer space. Approximate total square feet: 946.

Unit No. A-3

Unit No. A-3 is located on the south end of Building "A" and is a two level unit located over the southern half of Unit A-1. The lower level contains two bedrooms, one bathroom, coat closet, understair closet with electric hot water heater for Unit A-3 only. The second level contains kitchen, dining room, one-half bath with washer-dryer area, living room with fireplace, and attic storage space accessible by trap door. Approximate total square feet: 942.

Unit No. A-4

Unit No. A-4 is located in the southern middle portion of Building "A" and is a two level unit located over the northern half of Unit A-1. The lower level contains two bedrooms, one bathroom, coat closet, understair closet with electric hot water heater for Unit A-4 only. The second level contains a kitchen, dining room, one-half bath with washer-dryer area, living room, and attic storage area accessible by trap door. Approximate total square feet: 943.

Unit No. A-5

Unit No. A-5 is located on the northern middle portion of Building "A" and is a two level unit located over the southern half of Unit A-2. The lower level contains two bedrooms, one bathroom, coat closet, understair closet with electric hot water heater for Unit A-5 only. The second level contains a kitchen, dining room, one-half bath with washer-dryer area, living room, and attic storage accessible by trap door. Approximate total square feet: 941

Unit No. A-6

Unit No. A-6 is located in the north end of Building "A" and is a two level unit located over the northern half of Unit A-2. The lower level contains two bedrooms, one bathroom, coat closet, understair closet with electric hot water heater serving Unit A-6 only. The second level contains a kitchen, dining room, one-half bath with washer-dryer area, living room with fireplace, and attic storage area accessible by trap door. Approximate total square feet: 943.

Unit No. B-1

Unit No. B-1 is located on the south end of Building "B", and contains a kitchen, dining area, living room, two bedrooms, bath, washer-dryer area, coat closet with electric hot water heater for Unit B-1 only, and an additional coat closet. Approximate total square feet: 945.

Unit No. B-2

Unit No. B-2 is located on the north end of Building "B", and is a lower level, one-level unit containing a kitchen, dining area, living room, coat closet containing electric hot water heater for Unit B-2 only, additional coat closet, one and one-half baths, three bedrooms, linen closet, and washer-dryer area. Approximate total square feet: 1204.

Unit No. B-3

Unit No. B-3 is located on the north end of Building "B" and is a two level unit located over the northern half of Unit No. B-2. The lower level contains a kitchen, dining area, living room with fireplace, one-half bath, coat closet, washer-dryer area, understair closet with electric hot water heater serving Unit No. B-3 only. The second level contains three bedrooms, one and one-half baths, linen closet, and attic storage space accessible by trap door. Approximate total square feet: 1185.

Unit No. B-4

Unit No. B-4 is located on the northern middle section of Building "B" and is a two level unit located over the southern half of Unit No. B-2. The lower level contains a kitchen, dining area, living room, one-half bath, coat closet, washer-dryer area, understair closet with electric hot water heater serving Unit No. B-4 only. The second level contains three bedrooms, one and one-half baths, linen closet and attic storage space accessible by trap door. Approximate total square feet: 1185.

Unit No. B-5

Unit No. B-5 is located on the southern middle section of Building "B" and is a two level unit located over the northern half of Unit No. B-1. The lower level contains two bedrooms, one bathroom, coat closet, understair closet with electric hot water heater for Unit No. B-5 only. The second level contains kitchen, dining room, one-half bath with washer-dryer area, living room with fireplace, and attic storage space accessible by trap door. Approximate total square feet: 941.

Unit No. B-6

Unit No. B-6 is located on the south end of Building "B" and is a two level unit over the southern half of Unit B-1. The lower level contains two bedrooms, one bathroom, a coat closet, and an understair closet with an electric hot water heater serving Unit B-6 only. The second level contains the kitchen, dining room, one-half bath with washer-dryer area,

34. 9.88.

living room with fireplace and attic storage space accessible by trap door. Approximate total square feet: 943.

The immediate common area to which all of the above units have access is the real property known as: Lot One (1), KREINHEDER SUBDIVISION, records of the Anchorage Recording District, Third Judicial District, State of Alaska, EXCEPTING THEREFROM, all units as set forth above.

EXHIBIT "A"
P. 3

Description of Limited Common Areas and Facilities

The following described portions of the common areas and facilities are "limited common areas and facilities, reserved for the exclusive use of the particular units below listed to the exclusion of all other units in the project, as also shown on the survey map and floor plan of the project on file:

Unit No. A-1

Approximately 163 square feet of carport space designated as "AP-1".

Approximately 71 square feet of wood deck space immediately adjacent to the west side of Unit No. A-1 designated as "AD-1".

Unit No. A-2

Approximately 163 square feet of carport space designated "AP-2".

Approximately 71 square feet of wood deck space immediately adjacent to the west side of Unit No. A-2 designated as "AD-2".

Unit No. A-3

Approximately 163 square feet of carport space designated as "AP-3".

Approximately 36 square feet of wood deck space immediately adjacent to the west side of the second level of Unit A-3 designated as "AD-3".

Approximately 504 square feet of attic storage space, accessible by trap door from second level, designated as "SA-3".

Unit No. A-4

Approximately 163 square feet of carport space designated as "AP-4".

Approximately 36 square feet of wood deck space immediately adjacent to the west side of the second level of Unit A-4 designated "AD-4".

Approximately 504 square feet of attic storage space, accessible by trap door from second level, designated "SA-4".

Unit No. A-5

Approximately 163 square feet of carport space designated "AP-5".

Approximately 36 square feet of wood deck space immediately adjacent to the west side of the second level of Unit A-5 designated as "AD-5".

Approximately 504 square feet of attic storage space, accessible by trap door from second level, designated as "SA-5".

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Unit No. A-6

Approximately 163 square feet of carport space designated "AP-6".

Approximately 36 square feet of wood deck space immediately adjacent to the west side of the second level of Unit A-6 designated "AD-6".

Approximately 504 square feet of attic storage space, accessible by trap door from second level, designated "SA-6".

Unit No. B-1

Approximately 163 square feet of carport space designated "BP-1".

Approximately 69 square feet of wood deck space immediately adjacent to the east side of Unit B-1 designated "BD-1".

Unit No. B-2

Approximately 163 square feet of carport space designated "BP-2".

Approximately 74 square feet of wood deck space immediately adjacent to the east side of Unit B-2 designated "DD-2".

Unit No. B-3

Approximately 163 square feet of carport space designated "BP-3".

Approximately 37 square feet of wood deck space immediately adjacent to the east side of the first level of Unit B-3 designated as "BD-3".

Approximately 43 square feet of wood deck space immediately adjacent to the east side of the second level of Unit B-3 designated as "BD-3U".

Approximately 640 square feet of attic storage space, accessible by trap door from second level, designated "SB-3".

Unit No. B-4

Approximately 163 square feet of carport space designated "BP-4".

Approximately 37 square feet of wood deck space immediately adjacent to the east side of the first level of Unit B-4 designated as "BD-4".

Approximately 36 square feet of wood deck space immediately adjacent to the east side of the second level of Unit B-4 designated as "BD-4U".

Approximately 640 square feet of attic storage area, accessible by trap door from second level, designated "SB-4".

Unit No. B-5

Approximately 163 square feet of carport space designated "BP-5".

Unit No. B-5 (continued)

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Approximately 34 square feet of wood deck space immediately adjacent to the east side of the second level of Unit B-5 designated as "BD-5".

Approximately 504 square feet of attic storage space, accessible by trap door from second level, designated "SB-5".

Unit No. B-6

Approximately 163 square feet of carport space designated "BP-6".

Approximately 34 square feet of wood deck space immediately adjacent to the east side of the second level of Unit B-6 designated as "BD-6".

Approximately 504 square feet of attic storage area, accessible by trap door from second level, designated as "SB-6".

EXHIBIT "B"
P. 3

EXHIBIT "C"

Description of Condominium Buildings

The condominium buildings are designated Building "A" and Building "B". Each of the two buildings is a three story structure with crawl space. Each building is wood frame construction with natural wood siding and concrete foundation. There are also two carport buildings on the project, each being of wood frame construction with natural wood siding and concrete footings. The roofs of all buildings are asphalt shingle.

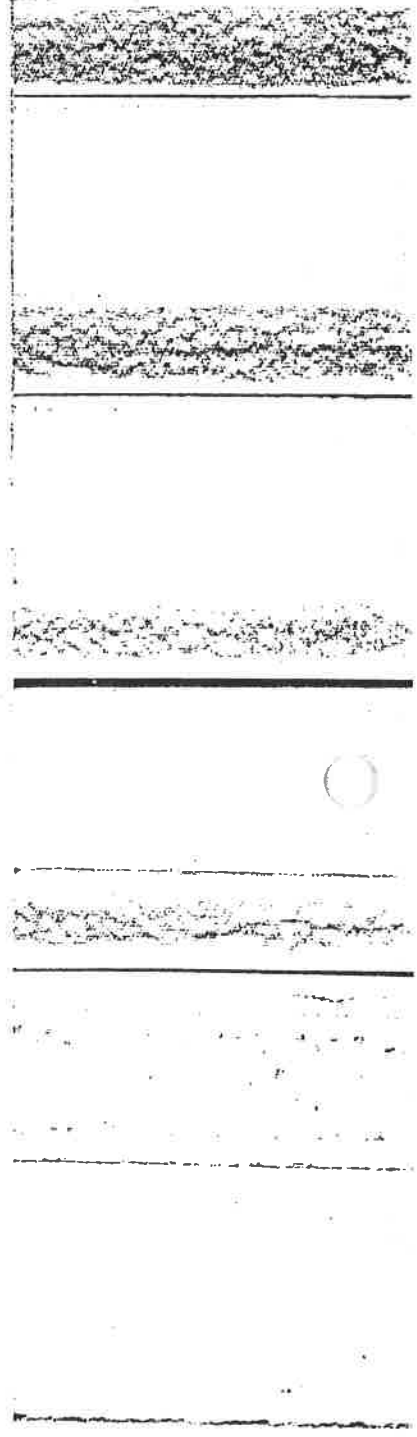


EXHIBIT "D"

Value of Units and Undivided Interests in Common Areas and Facilities

Unit	Value	Undivided Interest in Common Areas and Facilities for all Purposes Including Voting
A-1	\$ 45,000.00	8.041 %
A-2	45,000.00	8.041 %
A-3	45,900.00	8.202 %
A-4	45,250.00	8.086 %
A-5	45,250.00	8.086 %
A-6	45,900.00	8.202 %
B-1	44,750.00	7.997 %
B-2	49,950.00	8.926 %
B-3	51,550.00	9.213 %
B-4	50,550.00	9.034 %
B-5	45,250.00	8.086 %
B-6	45,250.00	8.086 %
		100.000 %

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RECORDS
ARCHITECTURE REC.
DISTRICT

JUL 18 12 33 PM '75

Security Title
ADDRESS _____

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BOOK 65 PAGE 152
Anchorage Recording District

CERTIFICATE OF AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS AND
RESERVATIONS OF EASEMENTS PURSUANT TO THE
HORIZONTAL PROPERTY REGIMES ACT
OF THE STATE OF ALASKA

FOR

VICTORIA HILL CONDOMINIUMS

The undersigned, being the record owners of over seventy-five percent (75%) of the condominiums in the Victoria Hill Condominiums, hereby amend the above described declaration dated the 15th day of July, 1975, and recorded in Book 34 at pages 966 through 993 in the records of the Anchorage Recording District, Third Judicial District, State of Alaska in the following particulars:

Article V - Section 3 shall be amended to add the following sentence to the beginning of that Section:

" No owner shall have the right to partition of his interest in the condominium except that in the event that a Certificate of Resolution to rebuild or restore has not been recorded as provided above, within six (6) months from the date of any partial or total destruction, or if restoration has not actually commenced within said period."

The following shall be added to the Declaration as page 10-A:

"Section 4. Interior Damage. Restoration and repair of any damage to the interior of any individual unit shall be made by and at the individual expense of the owner of that unit and, in the event of a determination to rebuild after partial or total destruction, shall be completed as promptly as practical and in a lawful and workmanlike manner.

Section 5. Notice to Mortgagee. Any institutional holder of a first mortgage on any unit shall be given written notice of any substantial damage or destruction as set forth herein.

ARTICLE VI

Assessments

Section 1. Levy and Payment. All unit owners shall pay all common assessments for common expenses and all applicable special assessments, reconstruction assessments and capital improvement assessments imposed by the Association. The common assessments and applicable reconstruction, capital improvement and special assessments, together with interest, costs, and reasonable attorney's fees, shall be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. This personal obligation cannot be avoided by abandonment of the condominium or by an offer to waive use of the common areas. The assessment shall include payments to a General Operating Reserve fund for replacement as deemed necessary by the Association. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the condominiums and for the improvement, operation, replacement and maintenance of the Project. Not later than thirty (30) days prior to the beginning of each calendar year, the Association shall estimate the total charges to be assessed against each condominium. Written notice of the annual assessments shall be sent to every unit owner subject thereto. Each owner thereof shall thereafter pay to the Association his assessment in installments as established by the Association. In the event the Association shall determine that the estimate of total charges for the current year is, or will become, inadequate to meet all expenses of the Property for any reason, it shall immediately determine the approximate amount of such inadequacy and issue a supplemental estimate of the total charges to be assessed against each condominium. Any increase in the amount so assessed shall only be effective upon written consent of two-thirds (2/3) of the unit owners and their first mortgagees.

Each installment of an assessment shall become delinquent if not paid on or before thirty (30) days from the date upon which it becomes due. All annual common assessments shall be paid according to the percentage of ownership in the common areas as set forth in Exhibit D. All excess funds, remaining in the General Operating Reserve fund, over and above the amounts used for the operation of the condominium project, shall be returned to the unit owners in a proportion equal to their individual contributions or may be retained by the Association and applied to the following year's assessments. In a voluntary conveyance of a condominium, the grantee of the same shall be jointly . . .

Article VI - Section 3 shall be amended to read as follows:

"Section 3. Liens, Enforcement. All sums assessed in accordance with the provisions of this Declaration shall constitute a lien on the respective condominium prior and superior to all other liens except (1) all taxes, bonds, assessments, and other levies which, by law, would be superior thereto, and (2) the lien or charge of any first mortgage of record (meaning any recorded mortgage or deed of trust with first priority or seniority over other mortgages or deeds of trust) made in good faith and for value and recorded prior to the date on which the lien became effective. It shall be the duty of the Association to enforce such lien by one or more of the alternative means of relief afforded by this Declaration. Such lien, when delinquent may be enforced by sale by the Association, its attorney or other person authorized to make the sale, after failure of the owner to pay an assessment in accordance with its terms, such sale to be conducted in accordance with the provisions of the Alaska statutes applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any manner permitted by law. In any such foreclosure, the condominium owner shall be required to pay a reasonable rental for the condominium and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Association shall have the power to bid on the condominium at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the same, and this provision or any institution of suit to recover a money judgment shall not constitute an affirmation of the adequacy of money damages. Any recovery resulting from a suit in law or equity initiated pursuant to this section may include reasonable attorneys' fees as fixed by the court."

IN WITNESS WHEREOF, the undersigned have hereunder executed the foregoing this 31 day of October, 1975.

Reginald M. Buchanan

Linda Buchanan

Alton B. Honeycutt

Kathryn M. Honeycutt

Lawrence H. Steinhilber

John Christopher

Sande Christopherson

Anna Elizabeth Brown

Anna Marshall

Cliff Zell

Sherry Boce

William A. Huff

Sheri Ness

Dick E. Newham

Continental Land Investments, Ltd.
by Hubert J. Gallet, President
Barr, P.O., Inc., General Broker

STATE OF ALASKA }
THIRD JUDICIAL DISTRICT } ss.

THIS IS TO CERTIFY that on this 31 day of OCT. 1975, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn as such, personally appeared REGINALD M. BUCHANAN, LINDA BUCHANAN, ALTON B. HONEYCUTT, KATHYN M. HONEYCUTT, SANDRA K. STUDNEK, JOHN H. CHRISTOPHERSON, SANDE CHRISTOPHERSON, ANNA ELIZABETH BROWN, ANNA MARSHALL, CLINT BOLL, SHERRY BOLL, WILLIAM A. HESS, JR., SHERI HESS, DICK E. NEWSHAM, known to me to be the persons named in and who executed the within and foregoing instrument, and they acknowledged to me that they signed the same freely and voluntarily for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first hereinabove written.

C. Adams
Notary Public in and for Alaska
My Commission Expires: June 11, 1977

STATE OF ALASKA }
THIRD JUDICIAL DISTRICT } ss.

THIS IS TO CERTIFY that on this 31 day of OCT. 1975, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn as such, personally appeared HUBERT J. GELLERT, known to me to be the President of BEAR, FRITZ, INC., General Partner of CONTINENTAL LAND INVESTMENTS, LTD., a corporation named above, and known to me to be the person named in and who executed the within and foregoing instrument, for and on behalf of said corporation by authority duly vested in him, and he acknowledged to me that he signed the same freely and voluntarily for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first hereinabove written.

C. Adams
Notary Public in and for Alaska
My Commission Expires: June 11, 1977

75-048982
26

RECORDED
DISTRICT

Nov 25 3 37 PM '75

Return to:
Victoria Hill Homeowners Assn. Inc.
2060 W. Diamond Blvd.
City 99502 731451

REC: *ATKINSON,*
CONWAY, YOUNG, BELL
ADDRESS: *1007 W. 3rd.*
CITY 99501

April 15, 1980

We, the Victoria Hill Homeowners, having at least 75% approval of the homeowners as is required, hereby amend our declaration and by-laws as follows:

Article V, Section 2 of the Declaration, the portion of the last sentence that states "... such proportion to be based upon the original base sales price of each unit at the time it was initially sold by the declarant..." shall be deleted and in its place it shall read "...such proportions to be based upon the percentage of interest in the common area that is purchased with each unit...."

Article XII, Section 5 of the Declaration, the portion of the last sentence that states "except voting as set forth in EXHIBIT D" shall be deleted, and in its place it shall read "including voting, as set forth in EXHIBIT D".

Article IV, Section 5 of the Bylaws, the entire last sentence, which starts "Each member may accumulate..." shall be deleted, and in its place it shall read "Each member shall have a direct on vote per position, and may not accumulate his votes."

Anna Elizabeth Brown
7118 Broadway
Anchorage, AK 99504

LEGAL DESCRIPTION: Victoria Hills Condominium as shown on Floor Plan filed in the Anchorage Recording District, Third Judicial District State of Alaska under Plan 75-100 and as identified in the Declaration Submitting Real Property to the Horizontal Regimes Act of the State of Alaska recorded July 13, 1975 in Book 34 at Page 966 and amended Nov 25, 1975 in Book 65 at Page 152, Anchorage Recording District, Third Judicial District, State of Alaska.

STATE OF ALASKA)
) ss
THIRD JUDICIAL DISTRICT)

On this 21 day of November, 1980, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn personally appeared anna Elizabeth Brown

to me known to be the individual described in and who executed the foregoing instrument, and acknowledged to me that she signed and sealed the said instrument as her free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Judith A. O'Neil
Notary Public in and for Alaska.
My commission expires: Sept 30, 1984

80-05527b

800
RECORDED & FILED
ANCHORAGE REC.
DISTRICT

Dec 4 8 59 AM '80

REQUESTED BY LAWYERS TITLE INSURANCE AGENCY
ADDRESS _____

A-144a

STF
1 copy

SF
A
Copy

April 15, 1980

We, the Victoria Hill Homeowners, having at least 75% approval of the homeowners as is required, hereby amend our declaration and by-laws as follows:

A-1442

Article V, Section 2 of the Declaration, the portion of the last sentence that states "... such proportion to be based upon the original base sales price of each unit at the time it was initially sold by the declarant..." shall be deleted and in its place it shall read "...such proportions to be based upon the percentage of interest in the common area that is purchased with each unit...."

Article XII, Section 5 of the Declaration, the portion of the last sentence that states "except voting as set forth in EXHIBIT D", shall be deleted, and in its place it shall read "including voting, as set forth in EXHIBIT D".

Article IV, Section 5 of the Bylaws, the entire last sentence, which starts "Each member may accumulate..." shall be deleted, and in its place it shall read "Each member shall have a direct one vote per position, and may not accumulate his votes."

NOTARY PUBLIC, Please acknowledge each signature.

Reginald W. Buchanan
Heida Jean Buchanan
7710 BOUNDARY
REGINALD W. & HEIDA J. BUCHANAN

Emil K. Maxter
Ellen M. Maxter
7714 BOUNDARY

Linda K. Stedman
7708 BOUNDARY

Christine S. ...
7708 BOUNDARY

Wing Stephens
7706 BOUNDARY

at ...
7722 BOUNDARY

Legal Description:
Victoria Hill Condominium as shown on Floor Plan filed in the Anchorage Recording District, Third Judicial District, State of Alaska under Plat 75-107, and as identified in the Declaration Submitting Real Property to the Horizontal Regimes Act of the State of Alaska, recorded July 18, 1975, in Book 34 at Page 966 and amended November 25, 1975 in Book 65 at Page 152 Anchorage Recording District, Third Judicial District, State of Alaska.

80-055271
1100

RECORDED-FILED
ANCHORAGE REC.
DISTRICT

DEC 4 9 50 AM '80

REQUESTED BY

STATE OF ALASKA)
THIRD JUDICIAL DISTRICT) ss

On this 25 day of April, 1980, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn personally appeared *Emil K. Maxter & Ellen M. Maxter* to me known to be the individual(s) described in and who executed the foregoing instrument, and acknowledged to me that they signed and sealed the said instrument as their free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Emil K. Maxter
Notary Public in and for Alaska
My commission expires 2-25-2011

ANCHORAGE TITLE INSURANCE AGENCY

SF
+
Notary

April 15, 1980

A-1442

We, the Victoria Hill Homeowners, having at least 75% approval of the homeowners as is required, hereby amend our declaration and by-laws as follows:

Article V, Section 2 of the Declaration; the portion of the last sentence that states "... such proportion to be based upon the original base sales price of each unit at the time it was initially sold by the declarant..." shall be deleted and in its place it shall read "...such proportions to be based upon the percentage of interest in the common area that is purchased with each unit...."

Article XII, Section 5 of the Declaration, the portion of the last sentence that states "except voting as set forth in EXHIBIT D". shall be deleted, and in its place it shall read "including voting, as set forth in EXHIBIT D".

Article IV, Section 5 of the Bylaws, the entire last sentence, which starts "Each member may accumulate..." shall be deleted, and in its place it shall read "Each member shall have a direct one vote per position, and may not accumulate his votes."

NOTARY PUBLIC, Please acknowledge each signature.
LEGAL DESCRIPTION: Victoria Hill Condominium as shown on floor plans filed in the Anchorage Recording District, Third Judicial District, State of Alaska, under Plat No 75-100 and as identified in the Declaration Submitting Real Property to the Horizontal Property Regimes Act of the State of Alaska recorded July 13, 1975 in Book 34 at Page 966 and amended November 25, 1975 in Book 65 at Page 152 Anchorage Recording District, Third Judicial District, State of Alaska.

Alton B. Honeycutt
Alton B. Honeycutt

Kathryn M. Honeycutt
Kathryn M. Honeycutt

STATE OF ALASKA)
THIRD JUDICIAL DISTRICT) ss

On this 15th day of April, 1980, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn personally appeared Alton B. Honeycutt and Kathryn M. Honeycutt to me known to be the individuals described in and who executed the foregoing instrument, and acknowledged to me that they signed and sealed the instrument as their free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Ann B. Hergen
Notary Public in and for Alaska.
My commission expires: 11/24/1982

80-055279
800

RECORDED
ANCHORAGE REC.
DISTRICT

Dec 4 9 00 AM '80

REQUESTED BY LAWYERS TITLE INSURANCE AGENCY, INC.
ADDRESS

April 15, 1980

We, the Victoria Hill Homeowners, having at least 75% approval of the homeowners as is required, hereby amend our declaration and by-laws as follows:

Article V, Section 2 of the Declaration, the portion of the last sentence that states "... such proportion to be based upon the original base sales price of each unit at the time it was initially sold by the declarant..." shall be deleted and in its place it shall read "...such proportions to be based upon the percentage of interest in the common area that is purchased with each unit..."

Article XII, Section 5 of the Declaration, the portion of the last sentence that states "except voting as set forth in EXHIBIT D" shall be deleted, and in its place it shall read "including voting, as set forth in EXHIBIT D".

Article IV, Section 5 of the Bylaws, the entire last sentence, which starts "Each member may accumulate..." shall be deleted, and in its place it shall read "Each member shall have a direct one vote per position, and may not accumulate his votes."

NOTARY PUBLIC, Please acknowledge each signature.

Georgia A. Bianchi

[Signature]

LEGAL DESCRIPTION:
VICTORIA HILL OWNERSHIP AS shown on Floor Plans filed in the Anchorage 3rd Dist, Third Judicial District State of Alaska, under Plat No. 75-170, and as identified in the Declaration Submitting Real Property to the Horizontal Property Regimes Act of the State of Alaska, recorded July 18, 1975 in Book 34 at Page 966 and amended November 25, 1975 in Book 65 at Page 152 Anchorage Recording District, Third District State of Alaska.

2444

STATE OF ALASKA)
) ss
THIRD JUDICIAL DISTRICT)

On this 15th day of April, 1980, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn personally appeared Georgia A. Bianchi

to me known to be the individual described in and who executed the foregoing instrument, and acknowledged to me that she signed and sealed the said instrument as her free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.



80-055278

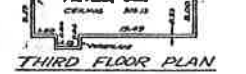
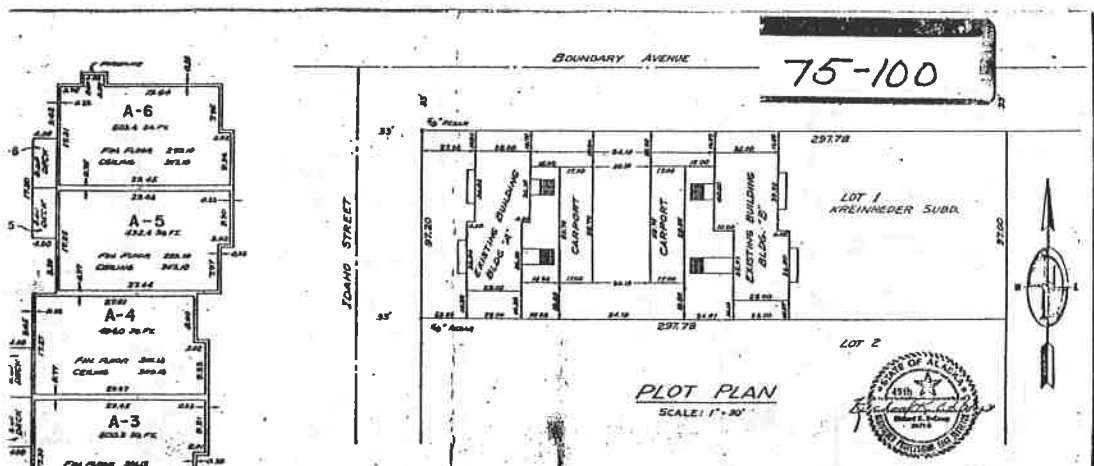
RECORDED FILED
ANCHORAGE REC.
DISTRICT

Dec 4 9 00 AM '80

REQUESTED BY LAWYERS TITLE INSURANCE AGENCY, INC.
ADDRESS

Notary Public in and for Alaska.
My commission expires: 6-27-83

OFF



75-100

ANCHORAGE

7-18 1975

12:30

Security Title

I HEREBY CERTIFY THAT THIS FLOOR PLAN FULLY AND ACCURATELY DEPICTS THE LAYOUT OF THE UNIT NUMBERS AND DIMENSIONS OF THE UNITS AS BUILT.

I HEREBY CERTIFY THAT I AM THE OWNER OF LOT 1, KREINHEDER SUBDIVISION AS DEPICTED HEREON. I HEREBY CONSENT TO THE PREPARATION AND RECORDATION OF THE WITHIN CONDOMINIUM PLAN PURSUANT TO THE HORIZONTAL PROPERTY REGIMES ACT, CHAPTER 07, ALASKA STATUTES SUPPLEMENT.

SUBSCRIBED AND SHOWN TO BEFORE ME THIS 30th DAY OF MAY, 1975.

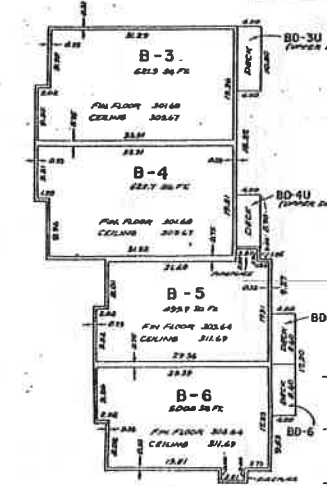
SUBSCRIBED AND SHOWN TO BEFORE ME THIS 18th DAY OF July, 1975.



Thomas A. Gassner
NOTARY FOR ALASKA
MY COMMISSION EXPIRES:
FEB. 26, 1978



William A. Gassner
NOTARY FOR ALASKA
MY COMMISSION EXPIRES:
FEB. 26, 1978



I HEREBY CERTIFY THAT THIS IS AN ACCURATE COPY OF PLANS AS FILED WITH AND APPROVED BY THE GREATER ANCHORAGE AREA BOROUGH.

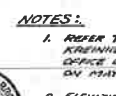
DECLARATION SUBMITTING REAL PROPERTY TO THE HORIZONTAL PROPERTY REGIMES ACT OF THE STATE OF ALASKA

SUBSCRIBED AND SHOWN TO BEFORE ME THIS 30th DAY OF MAY, 1975.

RECORDED: July 18, 1975
BOOK 34 PAGE 966
Serial No. 75-28724



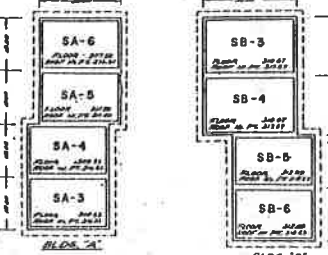
Thomas A. Gassner
NOTARY FOR ALASKA
MY COMMISSION EXPIRES:
FEB. 26, 1978



William A. Gassner
NOTARY FOR ALASKA
MY COMMISSION EXPIRES:
FEB. 26, 1978

NOTES:

- REFER TO PLAT NO. P-324 OF E. L. KREINHEDER SUBDIVISION FILED IN THE OFFICE OF THE TERRITORIAL COMMISSIONER ON MAY 21, 1958.
 - ELEVATIONS ARE BASED ON G.A.A.B. DATUM 1972 NG5 ADJUSTMENT.
 - THE EXTERIOR WALL THICKNESSES INDICATED DOES NOT INCLUDE SIDING WHICH IS 6/8" FT. THICK. ALL DIMENSIONS REFER TO EXTERIOR FACE OF FOUNDATION WALL.
 - ALL THE LINES INTERSECT BUILDING LINES AND LOT LINES AT RIGHT ANGLES AND ALL UNIT BOUNDARIES AND ALL LIMITED COMMON AREA BOUNDARIES INTERSECT AT RIGHT ANGLES EXCEPT WHERE OTHERWISE INDICATED.
- (NOTES CONTINUED AT LEFT)



VICTORIA HILL CONDOMINIUM BUILDINGS 'A' & 'B'

LOT 1, E. L. KREINHEDER SUBDIVISION

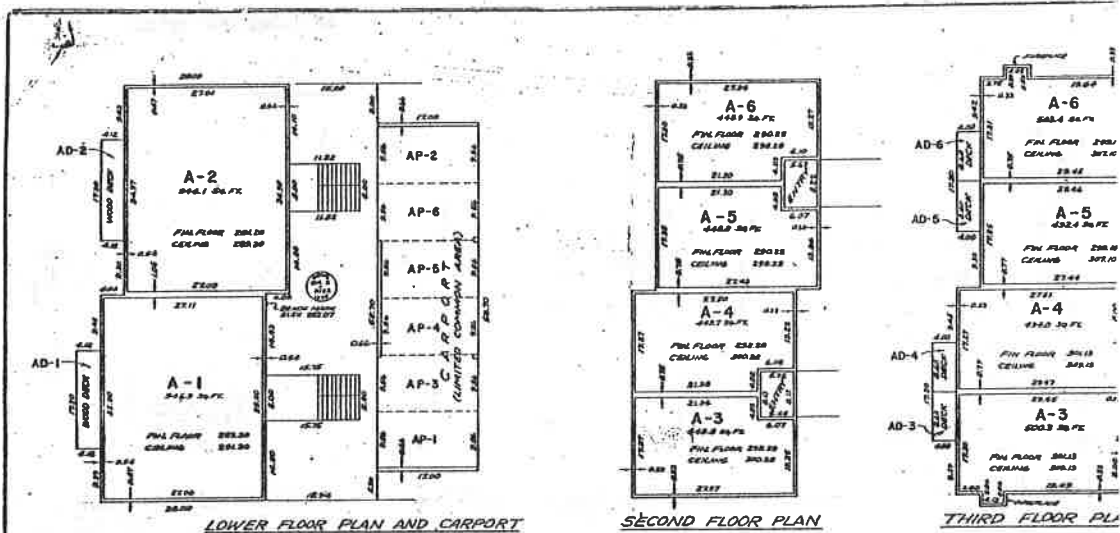
DOMINICK OSWALD WINCH LEE ENGINEERS

DATE: APRIL 10, 1975	0 0	0 00	1 1/2	NO
CHECKED BY: TAG	SCALE: AS SHOWN	8050	1840	33-10

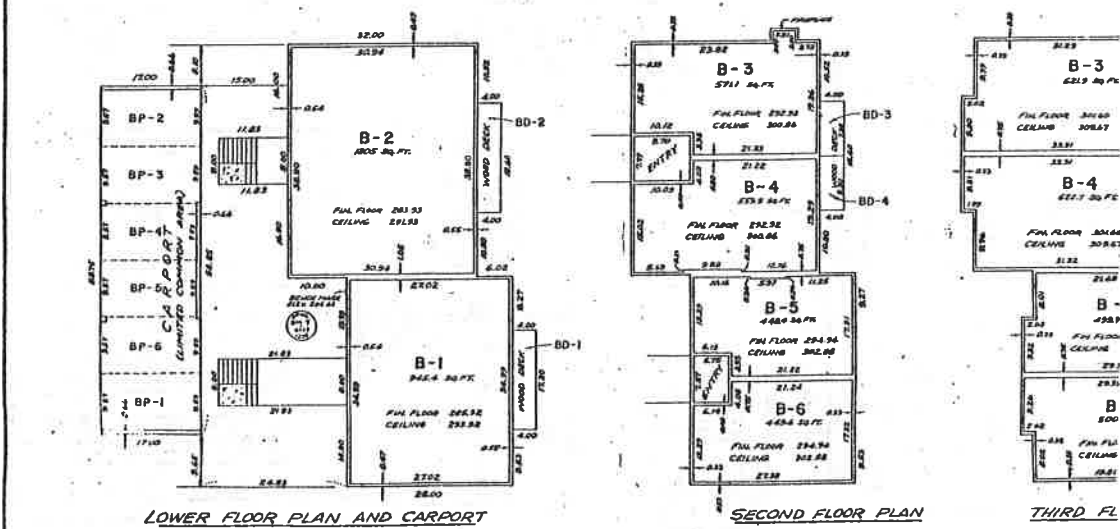
REGIMES ACT, CHAPTER 07, ALASKA STATUTES SUPPLEMENT.

AT EACH UNIT IS DESIGNATED BY A LETTER AND A NUMBER. THIS UNIT AS A BY BUILDING "A" IS DESIGNATED "A-4". SIMILARLY, THE "LIMITED COMMON AREAS" DESIGNATED WITH "UNIT A-4" ARE DESIGNATED "SA-4", "AO-4" AND "SA-4" FOR PARKING, DECK AND ATTIC STORAGE RESPECTIVELY. THIS DESIGNATION IS TYPICAL OF ALL 18 UNITS.

75-100



BUILDING "A"
SCALE: 1"=10'



BUILDING "B"
SCALE: 1"=10'

NOTES: (CONTINUED)

- ALL THE LINES ARE MEASURED TO THE EXTERIOR SURFACES OF THE FOUNDATION WALLS. (SEE NOTE 3.)
- THIS CONDOMINIUM PLAN CONTAINS 12 UNITS. THE BOUNDARY LINES OF EACH UNIT ARE THE UNFINISHED SURFACES (EXCLUSIVE OF PAINT, PAPER, WAX, TILE, GRANITE OR OTHER FINISHINGS) OF ITS PARTITION WALLS, FLOORS, CEILING, WINDOWS AND DOORS THEREOF AND THE UNIT INCLUDES BOTH THE PORTIONS OF THE BUILDING TO BE DEMOLISHED AND THE PORTIONS TO BE RECONSTRUCTED.

- "COMMON AREA" MEANS ALL LAND AND ALL PORTIONS OF THE PROPERTY LOCATED WITHIN LOT 1, E.I. APARTMENTER SUPERVISORY AND NOT LOCATED WITHIN ANY UNIT; AND ALSO INCLUDES, BUT NOT BY WAY OF LIMITATION, ALL ROOFS, FOUNDATIONS, PORCHES, DECKS, FLOORS, CHUTES, CONDUITS, WIRING AND OTHER UTILITY INSTALLATIONS TO THE OUTLETS, BEARING WALLS, COLUMNS AND OTHERS TO THE UNFINISHED SURFACE THEREOF. ALL REGARDLESS OF THE LOCATION WITHIN SAID LOT 1.

- "LIMITED COMMON AREA" MEANS A PART OF THE COMMON AREA, AN EASEMENT FOR THE EXCLUSIVE USE OF WHICH WILL BE GRANTED AS AN APPURTENANCE OF A UNIT.
- THE MEANING OF THE WORD "UNIT" AS USED IN THESE PLANS IS IDENTICAL TO "APARTMENT" AS INTENDED IN THE HANDBOOK OF PROPERTY.

- RESOURCES ACT, C STATUTES 2004L AND A NUMBER, 7 BUILDING "A" IS A BUILDING, THE 2 ASSOCIATED WITH "A-1", "A-2", "A-3", "A-4", "A-5", "A-6" AND "A-7" ARE IDENTICAL AS 1

the proposed color schemes, design thereof and the quality of materials to be used. All such plans and specifications shall be prepared by an architect or landscape architect, said person to be employed by the unit owner making application at his sole expense. Plans and resubmittals thereof shall be approved or disapproved within thirty (30) days. Failure of the Board to respond to a submittal or resubmittal of plans within such period shall be deemed to be approval of the plans as submitted or resubmitted. The approval of the plans and specifications may be withheld not only because of noncompliance with any of the specific conditions, covenants and restrictions contained in this Declaration, but also by reason of reasonable dissatisfaction of the Board with the location of the structure on the residence, the elevation, color scheme, finish, design, proportions, architecture, shape, height style and appropriateness of the proposed structure or altered structure, the materials used therein, or because of its reasonable dissatisfaction with any or all other matters or things which in the reasonable judgment of the Board will render the proposed investment inharmonious or out of keeping with the general plan of improvement of the Property or with the improvements erected on other residences. If, after such plans and specifications have been approved, the improvements are altered, erected or maintained upon the residence otherwise than as approved by the Board, such alteration, erection and maintenance shall be deemed to have been undertaken without the approval of the Board having been obtained as required by the Declaration. After the expiration of one (1) year from the date of completion of any improvement, said improvement shall, in favor of purchasers and encumbrancers, in good faith and for value, be deemed to comply with all of the provisions hereof unless a notice of such non-compliance or non-completion, executed by one member of the Board, shall appear of record in the Office of the Recorder, Anchorage Recording District, or legal proceedings shall have been instituted to enforce compliance with these provisions. The approval of the Board of any plans or specifications submitted for approval as herein specified for use on any residence shall not be deemed to be a waiver by the Board of its right to object to any of the features or elements embodied in such plans and specifications, if or when the same features or elements are embodied in any subsequent plans and specifications submitted for approval as herein provided for use on other residences. No member of the Board shall be liable to any person for his decisions or failure to act in making decisions as a member of said Board. The members of the Board shall receive no compensation for their services performed pursuant to this Declaration. Upon approval of the Board, it shall be conclusively presumed that the location and height of any improvement does not violate the provisions of this Declaration.

ARTICLE IV

Repair and Maintenance

Section 1. Repair and Maintenance Duties of Association. The Association shall maintain, repair and make necessary improvements to and pay for out of the maintenance fund to be provided, all common areas and the building thereon; all corrective architectural, landscaping and repair work within residences, if the unit owner fails to

repair the areas subject to his control and duty to maintain; all metered utilities in common areas; all parking areas, ramps, walks and other means of ingress and egress within the Project. To the extent not assessed to or paid by the unit owners, the Association shall pay all real and personal property taxes and assessments levied upon any portion of the common areas or limited common areas. It shall further be the affirmative duty of the Association to require strict compliance with all provisions of this Declaration and to inspect the Property for any violations thereof.

Section 2. General Powers of the Association.

The Association shall have all of the powers set forth in its Articles of Incorporation, together with its general powers as a nonprofit corporation, generally to do any and all things that a corporation organized under the laws of the State of Alaska may lawfully do in operating for the benefit of its members, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Articles, the ByLaws and in this Declaration and to do any and all acts which may be necessary or proper for or incidental to the exercise of any of the express powers of the Association or for the peace, health, comfort, safety and general welfare of the unit owners and their guests.

Section 3. Special Powers of Association.

Without in any way limiting the generality of the foregoing, in the event that the Association determines that an improvement is in need of repair, restoration or painting, or that landscaping is in need of installation, repair, or restoration, or that an improvement is in existence without proper approval of the Board, or that there is a violation of any provision of this Declaration, then the Association shall give written notice to the unit owner of the condition or violation complained of, and unless the Board has approved in writing corrective plans proposed by the unit owner to remedy the condition complained of within such period of time as may be determined reasonable by the Association after it has given written notice, and such corrective work so approved is completed thereafter within the time allotted by the Association, the Association shall undertake to remedy such condition or violation complained of and the cost thereof shall be charged to the unit owner and his condominium whose residence is the subject matter of the corrective work, and such cost shall be deemed to be a Special Assessment to such unit owner, and his condominium, and subject to levy, enforcement and collection by the Association in accordance with the assessment lien procedure provided for in this Declaration.

Section 4. Rights of Entry.

The Association shall have a limited right of entry in and upon all limited common areas and the exterior of all units for the purpose of taking whatever corrective action may be deemed necessary or proper by the Association. Nothing in this Article shall in any manner limit the right of the unit owner to exclusive control over the interior of his unit. Provided, however, that an owner shall grant a right of entry to the Association; or any other person authorized by the Association, in case of any emergency originating in or threatening his unit, whether the owner is present or not. Provided, further, that an owner shall permit other owners or their

representatives to enter his unit for the purpose of performing required installation, alterations or repair of the mechanical or electrical services to a residence, provided that requests for entry are made in advance and that such entry is at a time convenient to the owner whose unit is to be entered. In case of an emergency, such right of entry shall be immediate.

Section 5. Miscellaneous Duties and Powers. The Association shall have the right to install or construct capital improvements on any of the common or limited common areas. The Association may at any time, and from time to time reconstruct, replace or refinish any improvement or portion thereof upon the common areas in accordance with the original design, finish or standard of construction of such improvement; construct, reconstruct, replace or refinish any surface upon any portion of common areas designated as a parking area; replace destroyed trees or other vegetation and plant trees, shrubs and ground cover upon any portion of the common areas; and place and maintain upon the common areas such signs as the Association may deem necessary for their identification, for regulation of traffic, including parking, the regulation and use of the common areas, and for the health, welfare and safety of unit owners and their guests. The Association may delegate all of the powers contained in the Declaration to any management organization or individual, and the Association may employ personnel necessary for the effective operation and maintenance of the building and common areas of any type described herein, including the employment of legal and accounting services.

Section 6. Repair and Maintenance by Unit Owner. Each unit owner shall maintain, repair, replace and restore all portions of his residence, including the interior walls, ceilings, windows, floors, doors, and permanent fixtures and limited common areas subject to his exclusive control, in a clean, sanitary and attractive condition, subject to control and approval of the Board.

ARTICLE V

Destruction of Improvements

Section 1. Partial Destruction. Except as otherwise provided in this Declaration, in the event of partial destruction of the building, it shall be the duty of the Association to restore and repair the same to its former condition, as promptly as practical. The proceeds of any insurance maintained pursuant to Article IX hereof shall be used for such purpose subject to the prior rights of beneficiaries of deeds of trust whose interest may be protected by said policies. In the event that the amount available from the proceeds of such insurance policies for such restoration and repair shall be at least eighty-five percent (85%) of the estimated cost of restoration and repair, a special assessment of the owners, with each owner contributing a percentage equal to the owners' percentage interest in the common areas as set forth in Exhibit "D", may be levied by the Association to provide the necessary funds for such reconstruction, over and above the amount of any insurance proceeds available for such purpose. In the event

