



Anchorage Recording District

**DECLARATION
OF
POWDER RUN**

A Condominium Community

• Creating Units: 1-9 •

AFTER RECORDATION RETURN TO:

PROPERTY MANAGEMENT SERVICES, INC.

Attn: Crystal McDonald

601 W. 41st Avenue, #201

Anchorage, Alaska 99503

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**DECLARATION
OF
POWDER RUN**

Declarant, **MGJ BUILDING GROUP, LLC**, a Delaware limited liability company, whose mailing address is *12870 Old Seward Highway, Suite 108, Anchorage, Alaska 99515* does hereby submit the real property in Girdwood, Alaska described in **Schedule A-1**, to the provisions of the Uniform Common Interest Ownership Act, Title 34, Chapter 8, of the Alaska Statutes, for the purpose of creating **POWDER RUN**, and making the Improvements shown in the Plat and Plans attached as **Schedule A-3**.

POWDER RUN is a condominium community.

**ARTICLE I
DEFINITIONS**

In the Documents, the following words and phrases shall have the following meanings:

Section 1.1 - Act. The Uniform Common Interest Ownership Act, Title 34, Chapter 08 of the Alaska Statutes, as it may be amended from time to time.

Section 1.2 - Allocated Interests. The undivided interest in the Common Elements, the Common Expense liability, and votes in the Association allocated to Units in the Common Interest Community. The Allocated Interests are described in **Article VIII** of this Declaration and shown on **Schedule A-2**.

Section 1.3 - Association. *Powder Run Owners Association, Inc.*, a non-profit corporation organized under Title 10, Chapter 20 of the Alaska Statutes. It is the Association of Unit Owners for Powder Run.

Section 1.4 - Bylaws. The Bylaws of the Association, as they may be amended from time to time. Neither such Bylaws nor any amendments to such Bylaws need be recorded in the property records.

Section 1.5 - Common Elements. Each portion of the Common Interest Community, other than a Unit.

Section 1.6 - Common Expenses. The expenses or financial liabilities incurred by the Association for the governance and operation of the Common Interest Community. These include, without limitation:

- (a) Expenses of management, operation, administration, and insurance of the Common Interest Community;



- (b) Expenses for Maintenance, Repair and Replacement of the Common Elements;
- (c) Expenses declared to be Common Expenses by the Documents or by the Act;
- (d) Expenses agreed upon as Common Expenses by the Association; and
- (e) Such reasonable reserves as may be established by the Association, whether held in trust or by the Association, for repair, replacement or addition to the Common Elements or any other real or personal property acquired or held by the Association.

Section 1.7 - Common Interest Community. The real property described in **Schedule A-1**, subject to the Declaration.

Section 1.8 - Damage or Destroyed. A portion of the Common Interest Community is Damaged or Destroyed (or suffers Damage or Destruction) if it suffers physical damage caused by reasons other than deterioration, decay, wear and tear, or obsolescence.

Section 1.9 - Declarant. MGJ BUILDING GROUP, LLC, a Delaware limited liability company, or its successor as defined in Subsection 34.08.990(12) of the Act.

Section 1.10 - Declaration. This Document, including any amendments.

Section 1.11 - Director. A member of the Executive Board.

Section 1.12 - Documents. The Declaration, Plat and Plans recorded and filed pursuant to the provisions of the Act, the Bylaws, and the Rules, as they may be amended from time to time. Any attachment, schedule, or certification accompanying a Document is a part of that Document.

Section 1.13 - Eligible Insurer. An insurer or guarantor of a first Security Interest in a Unit.

Section 1.14 - Eligible Mortgagee. The holder of a first Security Interest in a Unit.

Section 1.15 - Executive Board. The board of directors of the Association.

Section 1.16 - Improvements. Any structure, signage, fixture or facilities existing or subsequently constructed on the land included in the Common Interest Community, including but not limited to, buildings, trees and shrubbery, paving, signage, utility wires, pipes, and light poles.

Section 1.17 - Limited Common Elements. The portion of the Common Elements allocated for the exclusive use of one (1) or more, but fewer than all, of the Units by the Declaration or by operation of Subsections (2) and (4) of Section 34.08.100 of the Act. The Limited Common Elements in the Common Interest Community are described in **Article V** of this Declaration.



Section 1.18 - Maintain, Repair and Replace. To Maintain, Repair, and Replace (or to perform Maintenance, Repair, and Replacement) is the act of addressing and correcting deterioration, decay, wear and tear, and obsolescence to any portion of the Property which has not suffered Damage or Destruction.

Section 1.19 - Majority or Majority of Unit Owners. The Unit Owners of more than fifty percent (50%) of the voting interest in the Association.

Section 1.20 - Manager. A Person, firm or corporation employed or engaged to perform management services for the Common Interest Community and the Association.

Section 1.21 - Notice and Comment. The right of a Unit Owner to receive notice of an action proposed to be taken by or on behalf of the Association, and the right to comment thereon. The procedures for Notice and Comment are set forth in **Section 23.1**.

Section 1.22 - Notice and Hearing. The right of a Unit Owner to receive notice of an action proposed to be taken by the Association, and the right to be heard thereon. The procedures for Notice and Hearing are set forth in **Section 23.2**.

Section 1.23 - Person. An individual, corporation, business trust, estate, trust, partnership, association, joint venture, government, government subdivision or agency, or other legal or commercial entity.

Section 1.24 - Plans. The Plans filed with the Declaration as **Schedule A-3**, as they may be amended from time to time.

Section 1.25 - Plat. The Plat filed with the Declaration as **Schedule A-3**, as it may be amended from time to time.

Section 1.26 - Property. The land, all Improvements, easements, rights and appurtenances which have been submitted to the provisions of the Act by the Declaration.

Section 1.27 - Public Offering Statement. The current document prepared pursuant to Section 34.08.530 of the Alaska Statutes, as it may be amended from time to time, and provided to purchasers.

Section 1.28 - Rules. Rules for the use of Units and Common Elements and for the conduct of Persons within the Common Interest Community, which may be adopted by the Executive Board pursuant to this Declaration.

Section 1.29 - Security Interest. An interest in real estate, created by contract or conveyance, which secures payment or performance of an obligation. The term includes a lien created by a mortgage, deed of trust, trust deed, security deed, contract for deed, land sales contract, lease intended as security, assignment of lease or rents intended as security, pledge of an ownership



interest in the Association, and any other consensual lien or title retention contract intended as security for an obligation.

Section 1.30 - Special Declarant Rights. Rights reserved for the benefit of a Declarant pursuant to **Article VII**.

Section 1.31 - Structure, Structural. The Structure of a building includes all components that support any portion of the building, that enclose the building or that keep the building weather tight. Any portion of the Structure of a building is Structural.

Section 1.32 - Trustee. The entity which may be designated by the Executive Board as the Trustee for the receipt, administration, and disbursement of funds derived from insured losses, condemnation awards, special assessments for uninsured losses, and other like sources as defined in the Bylaws. If no Trustee has been designated, the Trustee will be the Executive Board from time to time constituted, acting by majority vote, as executed by the president and attested by the secretary.

Section 1.33 - Unit. A physical portion of the Common Interest Community designated for separate ownership or occupancy, the boundaries of which are described in **Section 4.2**.

Section 1.34 - Unit Owner. The Declarant or other Person who owns a Unit. Unit Owner does not include a Person having an interest in a Unit solely as security for an obligation. The Declarant is the initial Unit Owner of any Unit created by the Declaration.

ARTICLE II

NAME AND TYPE OF COMMON INTEREST COMMUNITY AND ASSOCIATION

Section 2.1 - Common Interest Community. The name of the Common Interest Community is *Powder Run*. Powder Run is a *Condominium Community*.

Section 2.2 - Association. The name of the Association is *Powder Run Owners Association, Inc.*, a non-profit corporation organized under the non-profit corporation laws of the State of Alaska.

ARTICLE III

DESCRIPTION OF LAND

The entire Common Interest Community is situated in the Anchorage Recording District, Third Judicial District, State of Alaska and is located on land described in **Schedule A-1**.



ARTICLE IV
NUMBER OF UNITS; BOUNDARIES

Section 4.1 - Number of Units & Types of Units. The Common Interest Community upon creation contains **nine (9)** Units. Each Unit as defined in Section 34.08.100 of the Alaska Statutes and in the Declaration includes all Improvements located within the boundaries of the Unit.

Section 4.2 - Unit Boundaries. The boundaries of each Unit created by the Declaration are the plans or surfaces located as shown on the Plat and Plans are more particularly described in the balance of this **Section 4.2**. The outside facing surfaces of elements or materials included within the Unit and the inside facing surfaces of elements or materials excluded from the Unit define the boundaries of the Unit. An outside-facing surface is one which faces away from the interior of the Unit and towards a Common Element, another Unit or the outside of the Common Interest Community. An inside-facing surface is one which faces towards the interior of the Unit and away from a Common Element, another Unit, or the outside of the Common Interest Community.

- (a) Ceiling. Except as otherwise provided, the ceiling is the upper boundary of the Unit or portion of the Unit.
- (i) When a ceiling is a boundary, the outside-facing surfaces of the outermost of the following elements and materials define the Unit boundary, and the following elements and materials, if present, are included within the Unit:
- (A) Drywall, plasterboard, wallboard, sheet rock, gypsum board, and such other similar materials;
 - (B) Plaster, joint compound, and joint tape;
 - (C) Ceiling panels, planks, slats, tiles, wallpaper, finish, trim, paint and any other materials constituting any part of the finished surfaces of the ceilings;
 - (D) Ceiling hatchway doors, and their jambs, frames, hardware, and trim;
 - (E) Ventilation grilles and trim; and
 - (F) Ceiling lights, outlets, switches, and fixtures, including enclosures and trim.
- (ii) When a ceiling is a boundary, the inside-facing surfaces of the following elements and materials define the Unit boundary, and the following elements and materials, if present, are excluded from the Unit:
- (A) Covered Structural elements, including studs, rafters, trusses, beams, and associated hardware; and



- (B) Visible Structural elements, beneath their finishes.
- (b) Floor. Except as otherwise provided, the floor is the lower boundary of the Unit or portion of the Unit.
- (i) When a floor is a boundary, the outside facing surfaces of the outermost of the following elements and materials define the Unit boundary, and the following elements and materials, if present, are included within the Unit:
 - (A) Poured concrete and gypsum–concrete floors;
 - (B) Resilient finished floor covering, including, linoleum, tiles, floorboards, vinyl, and rolled plastic flooring material;
 - (C) Finished flooring, finish trim, paint, and any other materials constituting any part of the finished surfaces of the floor;
 - (D) Wall to wall installed carpet;
 - (E) Ventilation grilles and trim;
 - (F) Switches, lights, outlets, and fixtures, including enclosures and trim;
 - (G) Plumbing fixtures, including faucets, sinks, and toilets;
 - (H) Fireplace surfaces and hearths; and
 - (I) Cabinets and enclosures.
 - (ii) When a floor is a boundary, the inside facing surfaces of the following elements and materials define the Unit boundary, and the following elements and materials, if present, are excluded from the Unit:
 - (A) Covered Structural elements, including rafters, trusses, joists, beams, subfloors and floor sheathing; and associated hardware;
 - (B) Visible Structural elements, beneath their finishes.
- (c) Walls. Except as otherwise provided, the walls that separate the Unit from other Units or from the Common Elements are the vertical boundaries of the Unit.



- (i) When a wall is a boundary, the outside facing surfaces of the outermost of the following elements and materials define the Unit boundary, and the following elements and materials, if present, are included within the Unit:
 - (A) Drywall, plasterboard, wallboard, sheet rock, gypsum board, and such other similar materials;
 - (B) Plaster, joint compound, and joint tape;
 - (C) Finish trim, paint, and any other materials constituting any part of the finished surfaces of the walls;
 - (D) Paneling, tiles and wallpaper;
 - (E) Ventilation grilles and trim;
 - (F) Perimeter pedestrian doors, and their jambs, frames, trim and hardware;
 - (G) Garage doors, and their jambs, frames, trim and hardware;
 - (H) Perimeter windows, and their panes, sills, jambs, frames, trim and hardware;
 - (I) Wall lights, outlets, switches, and fixtures, including enclosures and trim;
 - (J) Plumbing fixtures, including faucets, sinks, bathtubs, shower enclosures, and toilets;
 - (K) Fireplace surfaces and hearths; and
 - (L) Cabinets and enclosures.
- (ii) When a wall is a boundary, the inside facing surfaces of the following elements and materials define the Unit boundary, and the following elements and materials, if present, are excluded from the Unit:
 - (A) Covered Structural elements, including studs, rafters, beams, shear walls, poured concrete or masonry, and associated hardware; and
 - (B) Visible Structural elements, beneath their finishes.

(d) Inclusions. Each Unit includes the following, if present, whether or not such spaces



are contiguous:

- (i) The spaces and Improvements lying within the boundaries described in **Subsections 4.2(a), (b), and (c)** above;
 - (ii) Those spaces, and the Improvements within such spaces, containing electrical switches and outlets, circuit breaks, wiring, pipes, valves, ducts, conduits, smoke, fire, and other alarm systems, meters, meter boxes and telecommunication systems serving such Unit exclusively, but located outside of the boundaries described in **Subsections 4.2(a), (b) and (c)** above;
 - (iii) Decorative elements affixed to and penetrating the walls, ceilings, or floors; and
 - (iv) Any space heating, water heating, or air conditioning machinery or equipment, serving such Unit exclusively, but located outside of the boundaries described in **Subsections 4.2(a), (b) and (c)** above, together with any pipes, wires, ducts, or other items exclusively serving such machinery or equipment.
- (e) Exclusions. Except when specifically included by other provisions of this **Section 4.2**, the following are excluded from each Unit and are part of the Common Elements:
- (i) The spaces and Improvements lying outside of the boundaries described in **Subsections 4.2(a), (b) and (c)**, above;
 - (ii) All chutes, pipes, flues, ducts, wires, conduits, utility lines and other facilities running through or within any interior wall or partition of the Unit for the purpose of furnishing utility or similar services to one (1) or more other Units or to the Common Elements; and
 - (iii) Any element located within the Unit that provides Structural support for or materially contributes to the support of the building.
- (f) Guide to Interpretation. In applying or interpreting the Unit boundary definitions set out in this **Section 4.2**, the following principles shall be used where the boundary definitions do not otherwise provide a clear answer:
- (i) Elements and materials that are visible only from the outside of a Unit, including exterior paint, are part of the Common Elements.



- (ii) Elements and materials that support the Structure of a building in which a Unit is located or that keep that building weather tight are part of the Common Elements.
 - (iii) Elements and materials that are visible only from the interior of the Unit and that may be subject to change or redecoration without fundamental change to the Structure of the building in which a Unit is located are part of the Unit.
 - (iv) The hardware and supports necessary to operate any element, to permit it to move or function or to keep it in place are of the same character (Unit, Common Element, or Limited Common Element) as the element they serve.
- (g) Inconsistency with Plat and Plans. If the Plat and Plans are inconsistent with this definition, then this definition will control.

ARTICLE V
COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

The Common Elements are each portion of the Common Interest Community, other than a Unit. The Common Elements include, without limitation, all portions of the buildings outside the boundaries of a Unit, the access driveway labeled on the Plat as "CE – Access Drive", the landscaping areas labeled on the Plat as "CE – RL", and any other portion of the Common Interest Community labeled as "CE" on the Plat.

The following portions of the Common Elements are Limited Common Elements assigned to the Units as stated:

- a. If a chute, flue, pipe, duct, wire, conduit, bearing wall, bearing column, or other fixture lies partially within and partially outside the designated boundaries of a Unit, the portion serving only the Unit is a Limited Common Element, allocated solely to the Unit, the use of which is limited to that Unit, and any portion thereof serving more than one (1) Unit or a portion of the Common Elements is a part of the Common Elements.
- b. Decks, hereinafter referred to as an "**LCE Deck**", the uses of which are limited to the Unit served as identified on the Plat and Plans and as shown on **Schedule A-2**.
- c. Driveways located outside of the garage of a Unit, hereinafter referred to as an "**LCE Driveway**", the uses of which are limited to the Unit served as identified on the Plat and Plans and as shown on **Schedule A-2**.
- d. Entryways, hereinafter referred to as an "**LCE Entryway**", the uses of which are limited to the Unit served as identified on the Plat and Plans and as shown on **Schedule A-2**.



- e. Address number, Unit letter, gutters, doorbell buttons, and exterior light bulbs affixed to the building will be Limited Common Elements allocated to the Units served.

ARTICLE VI
MAINTENANCE, REPAIR AND REPLACEMENT

The chart below sets forth some of the Maintenance, Repair, and Replacement obligations of the Unit Owner and of the Association; however, read **ARTICLE VI** carefully for the full designations.

[MAINTENANCE CHART APPEARS ON FOLLOWING PAGE]



MAINTENANCE & RESPONSIBILITY CHART

- ITEMS MARKED WITH 'CE' indicate expenses that will be shared by all the Unit Owners as a Common Expense (*and not billed back to the individual Unit Owner*).
- ITEMS MARKED WITH 'ABB' indicate items that the Association Maintains, Repairs, and Replaces; however, the expenses and reserves for those items will be billed back to the individual Unit Owner(s).

UNIT OWNER RESPONSIBILITY

- Maintenance, Repair, and Replacement of all portions of the Unit and any Improvements to the Unit
- Maintenance, Repair, and Replacement of all components of the doorbell ringer
- Cleaning, sweeping and removing snow, dirt and other debris from the LCE Driveway, LCE Deck, and LCE Entryway allocated to the Unit Owner's Unit
- Cleaning, Maintenance, Repair, and Replacement of the gas insert fireplace and all components of the gas insert fireplace allocated to the Unit Owner's Unit, if installed

ASSOCIATION RESPONSIBILITY

- Maintenance, Repair, and Replacement of all Common Elements (*excluding certain Limited Common Elements that the Unit Owners are required to Maintain, Repair, and Replace*), including but not limited to, roofing, siding, asphalt, striping of the Common Element access driveway, and the Common Element landscaping areas - **CE**
- Maintenance, Repair, and Replacement of the garage slab of the Unit - **CE**
- Maintenance, Repair, and Replacement of the following Limited Common Elements:
 - LCE Decks, LCE Entryways, and LCE Driveways - **ABB**
 - Address numbers, Unit letters, exterior light fixtures, and gutters - **ABB**
- Sweeping and removing snow, dirt and other debris from the Common Element Guest Parking Area, Common Element access driveway and other exterior paved areas within the Common Interest Community- **CE**

Section 6.1 - Common Elements. The Association shall Maintain, Repair and Replace all of the Common Elements, *except for certain Limited Common Elements, which are required by Section 6.3 of this Declaration to be maintained by the Unit Owners.*

The Association shall also be responsible for keeping the Common Element exterior paved areas within the Common Interest Community reasonably free of dirt, debris, snow, ice and water accumulation, except for the specific paved areas that are the responsibility of the Unit Owner, pursuant to **Section 6.3**.

Section 6.2 - Units. Each Unit Owner shall Maintain, Repair and Replace, at the expense of the Unit Owner, all portions of his or her Unit, including, without limitation:



- (i) Drywall, plasterboard, wallboard, sheet rock, gypsum board, and such other similar materials;
- (ii) Plaster, joint compound, and joint tape;
- (iii) Finish trim, paint, and any other materials constituting any part of the finished surfaces of the ceilings, floors, and walls;
- (iv) Finished floor coverings, including, linoleum, asbestos, vinyl, carpet, floorboards, and similar finished floor materials;
- (v) Finished wall and ceiling coverings, including wallpaper, paneling, tiles and similar finished wall and ceiling materials;
- (vi) Perimeter pedestrian doors, and their jambs, frames, trim and hardware (excluding exterior paint);
- (vii) Garage doors, and their jambs, frames, trim and hardware (excluding exterior paint);
- (viii) Perimeter windows, and their panes, sills, jambs, frames, trim and hardware (excluding exterior paint);
- (ix) Ventilation grilles and trim;
- (x) Wall and ceiling lights, outlets, switches, and fixtures, including enclosures and trim;
- (xi) Water heating, space heating or air conditioning machinery or equipment serving the Unit, together with any pipes, wires, ducts, pumps or other items exclusively serving such machinery or equipment;
- (xii) Plumbing fixtures, including faucets, sinks, bathtubs, shower enclosures, and toilets;
- (xiii) Cabinets and enclosures;
- (xiv) Those spaces, and the Improvements within such spaces, containing electrical switches and outlets, circuit breakers, wiring, pipes, valves, ducts, conduits, smoke, fire, and other alarm systems, meters, meter boxes and telecommunication systems serving only such Unit; and
- (xv) Fireplaces, fireplace surfaces and hearths.



Section 6.3 - Limited Common Elements. Notwithstanding the provisions of **Section 6.1** of this Declaration:

(a) *Unit Owner Responsibility.*

- (i) Each Unit Owner shall be responsible for removing all dirt, debris, snow, ice and water accumulation from the LCE Entryways, LCE Decks, and LCE Driveways allocated to their Unit.

(b) *Association Responsibility.*

- (i) The Association shall Maintain, Repair, and Replace the LCE Decks, the LCE Entryways, and the LCE Driveways, and shall assess the costs thereof against the Units to which such Limited Common Elements are allocated.
- (ii) The Association shall Maintain, Repair, and Replace the Limited Common Element exterior light fixtures, Unit numbers, and address number serving a Unit and shall assess the costs thereof against the Unit to which such Limited Common Elements are allocated.

Section 6.4 - Failure to Maintain, Repair and Replace.

- (a) If a Unit Owner fails to Maintain, Repair or Replace a Unit or any other portion of the Common Interest Community for which the Unit Owner is responsible after the Unit Owner knew or should have known that such Maintenance, Repair or Replacement was needed, and such failure causes damage to another Unit and/or the Common Elements, then the Unit Owner shall reimburse the Owner of the damaged Unit, or the Association, as the case may be, for the cost of restoring the damage. The amount to be reimbursed to the Association may be charged to the Unit Owner as a Common Expense attributable exclusively to the Unit, subject to the provisions and limitations set forth in **Section 18.2(d)** of the Declaration.
- (b) If the Association fails to Maintain, Repair or Replace the Common Elements or any other portion of the Common Interest Community for which it is responsible after the Association knew or should have known that such Maintenance, Repair or Replacement was needed, and such failure causes damage to a Unit:
- (i) If the damage is covered by the Association's insurance policy, the Association shall restore it in accordance with **Article XXII** of the Declaration; or
- (ii) If the damage is not covered by the Association's insurance policy, the Association shall reimburse the Unit Owner of the damaged Unit for the reasonable cost of restoring the damage.



- (c) If a Unit Owner fails to Maintain, Repair or Replace a Unit or any other portion of the Common Interest Community for which the Unit Owner is responsible and such failure creates a condition that threatens another Unit or the Common Elements, the Association may take such actions as are necessary to correct such condition without prior notice or with only such prior notice as can reasonably be given consistent with the threat. If the Association does take such action, all reasonably necessary expenses incurred by the Association may be charged to the Unit Owner as a Common Expense attributable exclusively to the Unit under **Section 18.2** of this Declaration.

Section 6.5 - Access by Association.

- (a) Any Person authorized by the Executive Board shall have the right of access to all portions of the Property for the purpose of carrying out the Association's powers and duties including, but not limited to:
- (i) Performing inspections;
 - (ii) Adjusting insurance claims;
 - (iii) Maintaining, Repairing, and Replacing the Common Elements and portions of the Units for which the Association is responsible;
 - (iv) Restoring portions of the Units and the Common Elements that have been Damaged or Destroyed;
 - (v) Making additions, alterations, and improvements to the Common Elements;
 - (vi) Correcting any condition threatening a Unit or the Common Elements.
 - (vii) Requests for entry to a Unit or Limited Common Element shall be made in advance and any such entry shall be made at a time reasonably convenient to the affected Unit Owner consistent with the availability of contractors and others employed or engaged by the Association. In case of an emergency, no such request or notice shall be required and such right of entry shall be immediate, whether or not the Unit Owner is present at the time.

Section 6.6 - Additional Standards. By Rule, and in accordance with **Section 20.2** of the Declaration, the Association may adopt additional standards concerning Maintenance, Repair, and Replacement of Units and Limited Common Elements, including Improvements within Units and Limited Common Elements, for the purpose of avoiding adverse effects on the condition, use, or enjoyment of other Units or the Common Elements.



Section 6.7 - Conduct of Maintenance, Repair and Replacement by the Association. The Association shall have the exclusive authority to select, contract with, direct, retain, and replace all contractors and vendors for all activities to Maintain, Repair, and Replace portions of the Property for which funds of the Association are used or to be used.

ARTICLE VII
SPECIAL DECLARANT RIGHTS

Section 7.1 - Rights Reserved by Declarant. The Declarant reserves the right to construct underground utility lines, pipes, wires, ducts, conduits and other facilities across the Common Interest Community for the purpose of furnishing utility and other services to buildings and Improvements to be constructed on the Property. The Declarant also reserves the right to grant easements to public utility companies and to convey Improvements within those easements anywhere in the Common Interest Community for the above-mentioned purposes. If the Declarant grants any such easements, **Schedule A-1** will be amended to include reference to the recorded easement.

Section 7.2 - Special Declarant Rights. The Declarant reserves the following Special Declarant Rights, to the maximum extent permitted by law, which may be exercised, where applicable, anywhere within the Common Interest Community:

- (a) To complete Improvements indicated on the Plats and Plans filed with the Declaration.
- (b) To maintain sales offices, management offices, signs advertising the Common Interest Community, and model Unit(s).
- (c) To use easements through the Common Elements for the purpose of making Improvements within the Common Interest Community.
- (d) To make the Common Interest Community subject to a master association.
- (e) To merge or consolidate the Common Interest Community with another Common Interest Community of the same form of ownership.

Section 7.3 - Models, Sales Offices and Management Offices. As long as the Declarant is a Unit Owner, the Declarant and its duly authorized agents, representatives and employees may maintain any Unit owned by the Declarant or any portion of the Common Elements as a model Unit, sales office or management office.

Section 7.4 - Construction; Declarant's Easement. The Declarant reserves the right to perform warranty work, repairs and construction work, store materials in secure areas in Units and Common Elements, and the further right to control all such work, repairs, and the right of access thereto, until its completion. All work may be performed by the Declarant without the consent or approval of the Executive Board. The Declarant has such an easement through the Common



Elements as may be reasonably necessary for the purpose of or exercising Special Declarant Rights, whether arising under the Act or reserved in the Declaration. Such easement includes the right to convey utility and drainage easements to public utilities, municipalities, the State, riparian owners or upland owners to fulfill the plan of development.

Section 7.5 - Signs and Marketing. The Declarant reserves the right to post signs and displays in the Common Elements to promote sales of Units, and to conduct general sales activities, in a manner as will not unreasonably disturb the rights of Unit Owners.

Section 7.6 - Declarant's Personal Property. The Declarant reserves the right to retain all personal property and equipment used in the sales, management, construction and maintenance of the premises that has not been represented as property of the Association. The Declarant reserves the right to remove from the Property, promptly after the sale of the last Unit, any and all goods and Improvements used in development, marketing and construction, whether or not they have become fixtures.

Section 7.7 - Time Limitations on Special Declarant Rights. Except for Special Declarant Rights that may terminate earlier by statute and unless previously terminated by an amendment to the Declaration executed by the Declarant, Special Declarant Rights terminate at the latest to occur of the following:

Such time as the Declarant:

1. is no longer obligated under any warranty or obligation;
2. no longer owns a Unit; or
3. no longer holds any Security Interest in any Unit.

Section 7.8 - Interference with Special Declarant Rights. Neither the Association nor any Unit Owner may take any action or adopt any Rule that will interfere with or diminish any Special Declarant Right without the prior written consent of the Declarant.

ARTICLE VIII

ALLOCATED INTERESTS

Section 8.1 - Allocation of Interests. The table showing Unit numbers and their Allocated Interests is attached as **Schedule A-2**. These interests have been allocated in accordance with the formulas set out in this **Article VIII**.

Section 8.2 - Formulas for the Allocation of Interests. The Allocated Interests allocated to each Unit have been calculated on the following formulas:

- (a) *Undivided Interest in the Common Elements.* Each Unit in the Common Interest Community shall have an equal percentage of the undivided interest in the Common Elements.



- (b) *Liability for the Common Expenses.* Each Unit in the Common Interest Community shall have an equal percentage of liability for Common Expenses. Nothing contained in this Subsection shall prohibit certain Common Expenses from being apportioned to particular Units under **Article XVIII**.
- (c) *Votes.* Each Unit in the Common Interest Community shall have one (1) equal vote. Any specified percentage, portion or fraction of Unit Owners, unless otherwise stated in the Documents, means the specified percentage, portion, or fraction of all of the votes as allocated in **Schedule A-2**.
- (d) *Multiple Ownership of a Unit.* When more than one (1) Person holds an ownership interest in any Unit, the vote for such Unit shall be exercised as determined among those Unit Owners, but in no event shall more than one (1) vote be cast with respect to any such Unit. Any votes cast with regard to any such Unit in violation of this provision shall be null and void.

ARTICLE IX
RESTRICTIONS ON USE, ALIENATION AND OCCUPANCY

Section 9.1 - Use and Occupancy Restrictions. Subject to the Special Declarant Rights reserved under **Article VII**, the following use restrictions apply to all Units and to the Common Elements:

- (a) *Single Family Use.* Each Unit is restricted to residential use as a single-family residence including home professional pursuits not requiring regular visits from the public or unreasonable levels of mail, shipping, trash or storage. A single-family residence is defined as a single housekeeping unit, operating on a non-profit, non-commercial basis between its occupants, cooking and eating with a common kitchen and dining area. The number of permitted occupants in a single-family residence shall not exceed the requirements contained in the Anchorage Code of Ordinances, Chapter 15.10.020, Section 8.01, Housing Maintenance and Occupancy code.
- (b) *Bylaws and Rules.* The use of Units and Common Elements is subject to the Bylaws and the Rules of the Association.
- (c) *Nuisance.* No noxious, illegal, or offensive activity shall be carried on within the Common Interest Community, nor shall anything be done therein which may become an annoyance or nuisance to the neighborhood.
- (d) *Quiet Time.* Quiet time shall be between the hours of 10:00 pm and 8:00 am. The audible volume of televisions, stereos, and, or musical equipment operated during quiet time shall be substantially reduced so as not to interfere with the quiet



enjoyment of the Common Interest Community. The following activities are prohibited during quiet time: snow blowing and noise-creating recreational activities including, but not limited to, skateboarding, basketball, hockey and soccer.

- (e) *Improper Use.* No improper, offensive, or unlawful use may be made of the Units, and Unit Owners shall comply with and conform to applicable Federal and State of Alaska laws and regulations and all ordinances, rules and regulations of the Municipality of Anchorage. The violating Unit Owner shall hold the Association and other Unit Owners harmless from fines, penalties, costs and prosecutions for the violation thereof or non-compliance therewith.
- (f) *Signs.* Except for parking and street signage, no signs whatsoever shall be displayed to the public view except a sign of not more than five square feet (5 sq. ft.) advertising the Property for sale or rent by a Unit Owner, or signs used by the Declarant to advertise the Property during the Unit sales or construction period.
- (g) *Garbage and Refuse Disposal.*
 - (i) No accumulation of rubbish, debris or unsightly materials shall be permitted in the Common Elements, or within Units. Unit Owners shall dispose of trash, garbage or other waste within secured trash bags which shall be transported to a dumpster located in the Common Interest Community. Unit Owners shall transport trash and garbage in such manner as to ensure that the Common Elements, including but not limited to hallways, stairwells and the parking areas, remain clean and free of trash and litter. Long term storage of rubbish in the Units is prohibited.
 - (ii) No portion of the Property shall be used for the storage of building materials, refuse, or any other materials. No outside burning of trash or garbage is permitted.
- (h) *Water and Sewer.* Each Unit Owner has an undivided interest in the Common Interest Community Common Element water lines and sewer service lines.
 - (i) To preserve and minimize potential damage and deterioration to the sewer service lines and water lines, Units Owners shall not pour grease, oils or cooking fat residues into sinks, garbage disposal units or other drains. No diapers, sanitary napkins, newspapers, solid rags or paper towels are to be disposed in toilets. No used oil, oil-based paints, solvents or other chemicals are to be disposed into the Community sewer service lines or elsewhere in the Common Interest Community.
 - (ii) No individual well, water system, or septic system shall be allowed.



(i) *Vehicles.*

- (i) Vehicles shall include, but are not limited to, an automobile, motorcycle, truck, trailer, boat, ATV, camper, recreational vehicle, snow machine or similar equipment.
- (ii) Vehicles shall only be parked **in the LCE Driveways or inside the garages**, except as set forth in Subsection iii below. The interior space of a garage must be maintained in a manner that provides adequate room for a vehicle to be parked inside the garage with the garage door closed.
- (iii) The Common Element Guest Parking Area shall be used only by the guests or invitees of the Unit Owners, and such use shall be limited to a period not to exceed forty-eight (48) consecutive hours, unless a longer period is approved in writing by the Executive Board. The Executive Board may adopt Rules further governing the Common Element parking.
- (iv) No repair, restoration or disassembly of any motor vehicle, boat, trailer, aircraft or other vehicle shall be permitted anywhere on the Property, EXCEPT FOR: (1) emergency repairs only to the extent necessary to enable movement of the vehicle to inside the garage or to a repair facility; or (2) repairs performed inside the garage.
- (v) No junk vehicle shall be parked within the Common Elements. A junk vehicle is a vehicle which is missing essential parts, including, but not limited to, tires, wheels, engine, brakes, windows, lights and lenses, exhaust system, and such other parts that are necessary for the legal operation of a vehicle.
- (vi) All vehicles shall have operable mufflers.
- (vii) No dump trucks or heavy equipment such as bulldozers and graders may be kept anywhere within the Common Interest Community, except by Declarant or its subcontractors during construction.
- (viii) Campers, boats or motor homes are prohibited from being parked in the LCE Driveways or in the Common Element Guest Parking Area. Campers, boats or motor homes may be kept within the garages only if the campers, boats or motorhomes fit within the garage with the garage door closed.
- (ix) Vehicles parked illegally or in violation of these covenants may be towed by the Association and/or the property management company.



- (j) *Oil and Mining Operations.* No oil or gas drilling, development operations, refining, quarrying or mining operations of any kind shall be permitted on the Property, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Unit. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted on any Unit. No surface entry shall be permitted and no extraction of minerals shall be permitted within a two hundred fifty foot (250') buffer measured vertically from the surface.
- (k) *Antennae and Satellite Dishes.* References to satellite dishes herein shall include 'antennas'. The Declarant imposes the following restrictions relating to the installation of satellite dishes and antennae if compliance does not: (i) unreasonably delay or prevent installation, maintenance or use; (ii) unreasonably increase the cost of installation, maintenance or use; or (iii) preclude reception of an acceptable quality signal to the Unit Owner.
- (i) Connectivity. Unit Owners may install wiring in their Unit's attic area for the purpose of placing no more than two (2) satellite dishes on the roof directly over their Unit. Roof penetration providing satellite wiring connectivity to a satellite dish shall be completed in a professional workmanlike manner by a licensed, bonded, and insured installer, approved by the Association. Except for the wiring installed by the Declarant during the original construction of the building containing the Unit, to connect to the roof, no wiring for satellite dishes is permitted within or upon the Common Elements.
- (ii) Size. A satellite dish installed on a roof shall not exceed forty-eight inches (48") in size.
- (iii) Location. Roof top installation of a satellite dish shall be in accordance with **Section 9.1(k)** and shall be located outside the roof set back area. The roof set back is a minimum of two feet (2') from the roof edge and shall not protrude beyond five feet (5') above the roof line of the Unit. If a Unit Owner chooses to locate a satellite dish on the LCE Deck appurtenant to their Unit, such installation shall be completed in a professional workmanlike manner by a licensed, bonded, and insured installer, approved by the Association. No satellite wiring or equipment shall protrude beyond deck boundaries and on to the Common Elements. The location satellite dishes installed inside the Unit is unrestricted, provided that no portion of the antenna or satellite dish extends beyond the boundaries of the Unit or Limited Common Elements.
- (iv) Safety and Non-Interference. Installation shall comply with reasonable safety standards and may not interfere with cable, telephone, or electrical systems of neighboring Units.



- (v) Maintenance. No satellite dish on the roof shall be permitted to fall into disrepair or to become unsightly. Unit Owners have the sole responsibility of maintaining the installation and repair of their satellite dish and related equipment. In the event that a satellite dish installed on the roof by the Unit Owner becomes deteriorated or unsightly or is inconsistent with conditions of installation it may be removed or repaired at the Unit Owner's expense.
 - (vi) Neutral Color. Satellite dish color shall be neutral tones only, including white, grey, beige, and any similar neutral tone color. No commercial advertising on the satellite dish shall be permitted, other than the brand name.
 - (vii) Removal and Damages. If a satellite dish, antenna, and other related equipment is removed, any damage to the Common Elements or Limited Common Elements of the Unit must be repaired. The Association may repair damages not repaired by the Unit Owner and assess the reasonable cost thereof against the Unit Owner. A satellite dish that is not in service and/or is not being used by a Unit Owner shall be removed from the Common Elements or Limited Common Elements at the Unit Owner's expense.
- (l) Pets. Unit Owners may maintain pets in their Units of the following types: domestic cats; domestic dogs; domestic birds (not poultry or fowl); gerbils, rodents, reptiles; and fish. No other animals may be kept as pets.
- (i) Birds must be kept in bird cages. Gerbils, rodents, and reptiles must be kept in terrariums or cages; fish must be kept in aquariums only.
 - (ii) No more than two (2) dogs or cats, *in any combination*, shall be permitted per Unit.
 - (iii) No unreasonable quantity of pets shall be permitted.
 - (iv) Pets shall not be raised or bred for commercial purposes.
 - (v) Pets demonstrating behaviors within the classifications defined in Anchorage Municipal Code ("AMC") 17.40.020(A), as it may be amended from time to time, and not falling within any of the exceptions contained AMC 17.40.020(B) are prohibited on the Property.
 - (vi) Unit Owner's shall hold the Association harmless from all claims resulting from the actions of his or her pet.



- (vii) Unit Owners shall be responsible for keeping their Units, Limited Common Elements and Common Elements free and clear of pet feces. Unit Owners shall immediately remove their pet's feces from all areas of the Common Interest Community.
- (viii) The provisions of the leash law (AMC 17.10.010, as it may be amended from time to time) shall be observed and pets shall be leashed and kept under control at all times. Pets shall be licensed, vaccinated, and maintained in accordance with municipal law.
- (ix) Unit Owners shall contain and control their Pets to the extent necessary to prevent their pet creating or becoming a nuisance as defined and described in AMC 17.10.015, as it may be amended from time to time. Pets causing or creating a nuisance or unreasonable disturbance or noise, so as to interfere with the rights, comfort or convenience of other Unit Owners shall be permanently removed from the Property upon three (3) days' written Notice and Hearing from the Executive Board. If the pet owner fails to honor such request, the Executive Board may remove the offending pet.
- (m) *Window Coverings.* Unit Owners shall install only the following types of window coverings: (i) mini blinds; (ii) shades; (iii) duettes; and (iv) sheers. Window coverings shall be white, neutral or light in color when viewed from the street. No window shall be covered with garments, sheets, blankets, aluminum foil or similar materials.
- (n) *Holiday Lighting on LCE Deck Railings.* Decorative white lights and/or holiday lighting shall be permitted on deck railings commencing the day after Thanksgiving and shall be removed no later than February 1st.
- (o) *Basketball and Baseball Equipment.* Basketball hoops, backboards, baseball cages, hockey cages, and recreational apparatus shall be portable and stored out of sight from the street and other adjoining Unit Owners during the winter season. No permanent basketball hoops, backboards, baseball cages, or recreation apparatus may be attached to the Common Elements.
- (p) *LCE Decks.*
 - (i) Equipment including personal property and plants, shall not protrude beyond the LCE Deck boundary, nor be placed on or hung from an LCE Deck railing.
 - (ii) Plants on plant shelves shall be permitted within LCE Deck areas, provided they do not exceed the height of the LCE Deck rail. Plants may be hung within the boundary of the LCE Deck area and must be securely



anchored so as not to create a safety hazard. Such visible hanging plants on an LCE Deck must not have an offensive appearance and dead plants shall not be permitted.

- (iii) Deck furniture, such as a bistro table and chairs, may be used on the LCE Decks. No storage of items on the LCE Decks, other than the permitted deck furniture, shall be permitted, including, but not limited to, bicycles, gym equipment, boxes, tires, ladders, cleaning supplies (such as mops), garbage, trash containers, appliances (such as refrigerators) and visible storage cabinets.
- (iv) No article, such as towels, rugs, or clothing may be hung on the LCE Decks.

Section 9.2 - Restrictions on Alienation. A Units may be leased with a minimum term of **three (3) days**. Each lease will incorporate the terms and restrictions of the Documents as a personal obligation of the tenant. A Unit may not be conveyed pursuant to a time-sharing plan. Use of Units for hotel or motel purposes, which includes one (1) or more of the following characteristics, is prohibited: (i) leases that include registration services and offer rentals on a daily basis; (ii) restrict the Unit Owner's ability to occupy the Unit; (iii) or are required by mandatory rental pooling agreements that require the Unit Owners to either rent their Units or give a management firm control over the occupancy of the Units.

Section 9.3 - Violations of Use Restrictions. A violation shall be failure by a Unit Owner to comply with a restriction or cure a prohibited activity within five (5) days after notification of non-compliance. Violations of the use restrictions are disruptive to the Common Interest Community and create additional administrative expenses to the Association. Accordingly, the Association may assess fines as specified in the Rules adopted by the Association. Fines collected from Unit Owners pursuant to this Section shall be collected by and belong to the Association.

ARTICLE X

EASEMENTS AND LICENSES

Easements or licenses to which the Common Interest Community is presently subject are recited in **Schedule A-1**. In addition, the Common Interest Community may be subject to other easements or licenses granted by the Declarant pursuant to its powers under **Article VII**.

ARTICLE XI

ALLOCATION AND REALLOCATION OF LIMITED COMMON ELEMENTS

No Limited Common Element depicted on the Plat or Plans may be reallocated by an amendment to the Declaration except pursuant to this **Article XI** or as part of a relocation of boundaries of Units pursuant to **Article XIII**. Such amendment shall require the approval of all holders of Security Interests in the affected Units, which approval shall be endorsed thereon. The Persons executing the amendment shall provide an executed copy thereof to the Association, which,



if the amendment complies with the provisions of the Declaration and the Act, shall record it in the Anchorage Recording District. The amendment shall contain words of conveyance and must be recorded and indexed in the names of the parties, the Association, and the Common Interest Community. The parties executing the amendment shall be responsible for the preparation of the amendment and shall reimburse the Association for its reasonable attorneys' fees in connection with the review of the amendment and for the recording costs.

ARTICLE XII
ADDITIONS, ALTERATIONS AND IMPROVEMENTS

Section 12.1 – Additions, Alterations, and Improvements to Units by Unit Owners. A Unit Owner:

- (a) May make any Improvements or alterations to the interior of his or her Unit that do not impair the Structural integrity or mechanical systems or lessen the support of any portion of the Common Elements;
- (b) After acquiring an adjoining Unit, may remove or alter any intervening partition or create apertures therein, even if the partition in whole or in part is a Common Element, if those acts do not impair the Structural integrity or mechanical systems or lessen the support of any portion of the Common Elements. The plans for such changes shall be first submitted to the Executive Board for approval. Removal of partitions or creation of apertures under this Subsection is not an alteration of boundaries or a combination of Units.

Section 12.2 – Additions, Alterations, and Improvements to or Affecting Common Elements by Unit Owners. Unless approved by the Executive Board as provided in **Section 12.3** of the Declaration, and except as provided in **Section 9.1(n)** (*Holiday Lighting*), a Unit Owner:

- (a) Shall not make any addition, alteration, or Improvement to, attach anything to or change the appearance of any portion of the Common Elements or the exterior appearance of any other portion of the Common Interest Community.
- (b) Shall not make any Improvements or alterations to the interior of his or her Unit that may impair the Structural integrity or mechanical systems or lessen the support of any portion of the Common Interest Community.

Section 12.3 - Approval by the Executive Board.

- (a) A Unit Owner may submit a written request to the Executive Board for approval to do anything that is otherwise prohibited or regulated under **Section 12.2** of this Declaration. The Executive Board shall answer any written request for such approval, which answer shall be in writing, within thirty (30) days after it receives the request. Failure to answer within such time, as it shall be extended by agreement



of the applicant, shall be deemed to be a denial by the Executive Board of the proposed action.

- (b) The Executive Board may establish time limits and impose conditions on its approval of a request under this **Article XII**. These may include, but are not limited to, the following:
 - (i) That the addition, alteration, or Improvement be made by contractors holding particular licenses or certifications, having particular qualifications, or having specified levels of insurance coverage.
 - (ii) That the Unit Owner obtain and pay for all necessary permits and other governmental approvals for the addition, alteration, or Improvement.
 - (iii) That the work be done in a specified manner or only during specified times.
 - (iv) That the addition, alteration, or Improvement be completed by a certain deadline.
 - (v) That the Unit Owner Maintain, Repair, and Replace the addition, alteration, or Improvement (or the portion of the Property to which the addition, alteration, or Improvement is made) or reimburse the Association for the costs of Maintenance, Repair and Replacement.
- (c) The Executive Board may grant approval for a type or class of modifications or installations by adopting a Rule.
- (d) The Executive Board may establish forms and procedures for the making and processing of applications under this **Article XII**.
- (e) The Executive Board may require the Unit Owner to pay a reasonable fee to reimburse the Association for its costs in considering and acting on a request made under **Subsection 12.3(a)**, including, but not limited to, recording charges and the reasonable fees of attorneys and design professionals.
- (f) Nothing in this Section shall be deemed to require the Executive Board to approve or disapprove any particular request. Neither shall the approval or disapproval of any prior request require the Executive Board to approve or disapprove any other request at a later date.
- (g) Review and approval by the Executive Board under this **Article XII** does not imply a review as to the adequacy of the plans or specifications for compliance with the laws and regulations of the State of Alaska for building codes, strength, suitability, durability or structural design. Furthermore, approval of a request to the Executive



Board shall not give rise to any liability or responsibility for the quality or sufficiency of design or materials. The purpose of Executive Board review and approval is to ensure the conformity and harmony of additions, alterations, or Improvements, as to the quality, external designs and location, in relation to the development of the entire Common Interest Community.

Section 12.4 - Additions, Alterations and Improvements by Executive Board. Subject to the limitations of **Section 18.4** and **18.5**, the Executive Board may make any additions, alterations or Improvements to the Common Elements which, in its judgment, it deems necessary.

ARTICLE XIII
COMBINING, SUBDIVIDING, AND RELOCATING BOUNDARIES BETWEEN UNITS

Section 13.1 – Combining/Subdividing Units. Except for the location of boundaries pursuant to this **Article XIII**, no Units may be subdivided into smaller Units or combined.

Section 13.2 – Relocating Unit Boundaries. Subject to approval pursuant to **Article XII**, and to approval, if necessary, of the Municipality of Anchorage, the boundaries between adjoining Units may be relocated by an amendment to the Declaration upon application to the Association by the Unit Owners of the Unit affected by the relocation. The Allocated Interests of each Unit affected by the relocation of boundaries shall not be changed. Upon application to the Association by the Unit Owner relocating boundaries, the Association shall prepare an amendment that identifies the Units involved and indicates the Association’s consent. The amendment must be executed by the involved Unit Owners and the approval of all holders of Security Interests in the affected Unit shall be endorsed thereon. On recordation, the amendment shall be indexed in the name of the grantor and grantee, and in the grantee’s index in the name of the Association.

Section 13.3 - Recording Amendments. The Association shall prepare and record Plats or Plans necessary to show the altered boundaries between adjoining Units, and their dimensions and identifying numbers. The applicants will pay for the costs of preparation of the amendment, Plat and Plans recording costs, and the reasonable consultant fees of the Association if it is deemed necessary to employ a consultant by the Executive Board.

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ARTICLE XIV
AMENDMENTS TO DECLARATION

Section 14.1 - General. Except as otherwise provided in the Act or in the Declaration, and except as limited by **Article XVII** (Mortgagee Protection), the Declaration, including the Plat, may be amended only by vote or agreement of Unit Owners of Units to which at least sixty-seven percent (67%) of the Votes in the Association are allocated.

Section 14.2 – Amendments to Comply with Financing Agencies. The Declarant and all



Unit Owners agree that, notwithstanding anything to the contrary contained herein, in the event that the Common Interest Community does not comply with the requirements of Federal National Mortgage Association (FNMA), Housing and Urban Development (HUD), Veterans Administration (VA), Alaska Housing Finance Corporation (AHFC), or any other national major secondary financing agency pertaining to the qualifications for and purchase of FNMA or conventional loans or mortgages to be secured by the Units in the Common Interest Community, (collectively the "Financing Agencies"), the Declarant, shall have the power, on behalf of the Association and each and every Unit Owner, to enter into any agreement with such Financing Agencies or other governmental agency regulating the Unit loans or mortgages, or the mortgagees and/or to pass such amendments required by such entities as attorney-in-fact for the Unit Owners to the Documents to allow the Common Interest Community to comply with such requirements. This includes, but is not limited to, making amendments to the Declaration and Bylaws to effectuate the purposes of this Section, so long as such amendment does not adversely affect the Security Interest of any mortgagee. The Declarant shall have discretion regarding the entering of such agreements or passing such amendments and may decline to so act if it feels the amendment or agreement would not be in the interest of the Association.

Section 14.3 - When Unanimous Consent Required. Except to the extent expressly permitted or required by other provisions of the Act or this Declaration, no amendment may create or increase Special Declarant Rights, increase the number of Units, or change the boundaries of any Unit, the Allocated Interests of any Unit, or the uses to which a Unit is restricted, in the absence of unanimous consent of the Unit Owners.

Section 14.4 - Other Amendments.

- (a) Amendments made by the Declarant in the exercise of its Special Declarant Rights or other reserved rights shall be made in accordance with the provisions of **Article VII** of this Declaration and Section 34.09.180 of the Act.
- (b) Certain Amendments relating to the allocation or reallocation of Limited Common Elements are governed by and shall be made in accordance with the provisions of **Article XI** of this Declaration.
- (c) Certain amendments relating to the relocation of boundaries between adjoining Units are governed by and shall be made in accordance with the provisions of **Article XIII** of this Declaration.

Section 14.5 - Special Declarant Rights and Other Reserved Rights. Provisions in the Declaration creating Special Declarant Rights or other reserved rights in **Article VII** may not be amended without the consent of the Declarant.

Section 14.6 - Consent of Holders of Security Interests. Amendments are subject to the consent requirements of **Article XVII**.



Section 14.7 - Notice to Unit Owners of Amendments to the Declaration. Following the adoption of an amendment to this Declaration by the Association, the Association shall promptly give all Unit Owners notice of its action and include with it a copy of such amendment.

Section 14.8 - Limitations of Challenges. An action to challenge the validity of an amendment adopted by the Association pursuant to this **Article XIV** may not be brought more than one (1) year after the amendment is recorded.

Section 14.9 - Recording and Execution of Amendments.

- (a) Every amendment to this Declaration shall be recorded in the Anchorage Recording District and the amendment is effective only upon recording. An amendment, except an amendment pursuant to **Article XIII** of this Declaration, shall be indexed in the name of the Common Interest Community and the Association and in the name of the parties executing the amendment.
- (b) An Amendment to the Declaration required by the Act to be recorded by the Association must be prepared, executed, recorded and certified on behalf of the Association by an officer of the Association designated for that purpose, or in the absence of designation, by the President of the Association.

ARTICLE XV
AMENDMENTS TO BYLAWS

The Bylaws may be amended only by vote of two-thirds ($\frac{2}{3}$) of the members of the Executive Board, following Notice and Comment to all Unit Owners, at any meeting duly called for such purpose.

ARTICLE XVI
TERMINATION AND MERGER

Termination of the Common Interest Community may be accomplished only in accordance with Section 34.08.260 of the Act. The Common Interest Community may not be merged or consolidated with another common interest community except as provided in Section 34.08.290 of the Act.

ARTICLE XVII
MORTGAGEE PROTECTION

Section 17.1 - Introduction. This Article establishes certain standards and covenants which are for the benefit of the holders, insurers, and guarantors of certain Security Interests. This Article is supplemental to, and not in substitution for, any other provisions of the Documents, but in the case of conflict, this Article shall control.



Section 17.2 - Percentage of Eligible Mortgagees. Wherever in the Declaration the approval or consent of a specified percentage of Eligible Mortgagees is required, it shall mean the approval or consent of Eligible Mortgagees holding Security Interests in Units which in the aggregate have allocated to them such specified percentage of votes in the Association when compared to the total allocated to all Units then subject to Security Interests held by Eligible Mortgagees.

Section 17.3 - Notice of Actions. The Association shall give prompt written notice by certified mail, return receipt requested, or by any express or courier service that produces a receipt, to each Eligible Mortgagee and Eligible Insurer, and each Unit Owner hereby consents to and authorizes such notice, of the following:

- (a) Any proposed action which would require the consent of a specified percentage of Eligible Mortgagees and Eligible Insurers as specified in **Section 17.4** of this Declaration;
- (b) Any delinquency or default in the payment of Common Expense assessments owed by a Unit Owner whose Unit is subject to a first Security Interest held, insured, or guaranteed, by such Eligible Mortgagee or Eligible Insurer, which remains uncured for a period of sixty (60) days;
- (c) Any default in the performance of any obligation under the Documents by a Unit Owner whose Unit is subject to a first Security Interest held, insured, or guaranteed, by such Eligible Mortgagee or Eligible Insurer, which remains uncured for a period of sixty (60) days;
- (d) Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association;
- (e) Any proposal to terminate the Common Interest Community or dissolve the Association, in which case at least thirty (30) days' prior notice shall be provided;
- (f) Any judgment rendered against the Association; or
- (g) Any condemnation loss or any casualty loss in accordance with the following requirements:
 - (i) *With Respect to Loans Issued by the Federal National Mortgage Association (FNMA):* Any condemnation or casualty loss that affects either a material portion of the project or any Unit in which there is a first Security Interest held, insured, or guaranteed by such Eligible Mortgagee or Eligible Insurer, as applicable;
 - (ii) *With Respect to Loans Issued by the Veteran's Administration (VA):* Any property loss, condemnation or eminent domain proceeding affecting the



Common Elements resulting in losses greater than ten percent (10%) of the annual budget or any Unit in which there is a first Security Interest held, insured, or guaranteed by such Eligible Mortgagee or Eligible Insurer, as applicable;

- (iii) *With Respect to Loans Issued by the Alaska Housing Finance Corporation (AHFC):* Any condemnation or casualty of ten thousand dollars (\$10,000.00) or more to the Common Interest Community or to a Unit in which AHFC holds a first Security Interest, or any loss to, or taking of, the Common Elements if such loss or taking exceeds ten thousand dollars (\$10,000.00) or damage to a Unit in which AHFC holds a first Security Interest exceeds ten thousand dollars (\$10,000.00);
- (iv) *With Respect to Loans issued by the Housing and Urban Development (HUD):* Eligible Mortgagees and Eligible Insurers shall receive notice as required by existing HUD rules and regulations.

Section 17.4 - Consent Required.

- (a) No Material Adverse Action may be taken by the Association or by the Executive Board or shall be effective until approved by Eligible Mortgagees and Eligible Insurers holding Security Interests in at least fifty-one percent (51%) of the Units that are subject to Security Interests held by Eligible Mortgagees or Eligible Insurers (or any greater Eligible Mortgagee approval required by this Declaration).
- (b) For purposes of this **Section 17.4**, "Material Adverse Action" shall mean any amendment to the Declaration or any action of the Executive Board or the Association that is of a material adverse nature to holders of first Security Interests in a Unit, including, but not limited to, any of the following:
 - (i) Abandonment, partition, subdivision, encumbrance, sale, conveyance, transfer or relocation of the boundaries of the Common Elements or any portion thereof, other than the granting of easements for public utilities or other public purposes consistent with the intended use of the Common Elements;
 - (ii) Reallocation of interests in the Common Elements or Limited Common Elements, including any change in the pro rata interest or obligations of any Unit Owner for the purpose of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, except that when Limited Common Elements are reallocated by agreement between Unit Owners, only those Unit Owners and only the Eligible Mortgagees and Eligible Insurers holding Security Interests in such Units must approve such action;



- (iii) An amendment to the Declaration that changes the assessments, assessment liens, or priority of liens for assessments made against the Units;
- (iv) An amendment to the Declaration that changes voting rights of Unit Owners;
- (v) Reductions in reserves for Maintenance, Repair, and Replacement of Common Elements (other than use of reserves for the purpose for which the reserve as established);
- (vi) Making capital expenditures (other than for repair or replacement of existing Improvements) during any period of twelve (12) consecutive months costing more than twenty percent (20%) of the annual operating budget;
- (vii) An amendment to the Declaration that changes the responsibility for Maintenance, Repair, and Replacement;
- (viii) An amendment to the Declaration that changes the rights of Unit Owners to use Common Elements and Limited Common Elements;
- (ix) Subdivision or partition of any Unit, or redefinition of any Unit boundaries (except that when only boundaries between adjoining Units are involved, or a Unit is being subdivided, then only the approval of the Unit Owners of such Units and the holders of all Security Interests in such Units is required);
- (x) The alteration of any partition or creation of any aperture between adjoining Units when Unit boundaries are not otherwise being affected;
- (xi) Conversion of Units into Common Elements or of Common Elements into Units;
- (xii) Abandonment, partition, subdivision, expansion or contraction of the Common Interest Community, or the addition, annexation, or withdrawal of property to or from the Common Interest Community, except pursuant to the exercise of Development Rights or as otherwise provided in this Declaration;
- (xiii) Merging or consolidating the Association, including the merger of this Common Interest Community with any other common interest community;
- (xiv) Any assignment of the future income of the Association, including its right to receive Common Expense assessments; and



- (xv) An amendment to the Declaration that changes insurance or fidelity bond requirements;
- (xvi) The use of hazard insurance proceeds for losses to any property in the Common Interest Community for other than the repair, replacement, or reconstruction of such property, except as provided in Section 34.08.440(h) of the Act;
- (xvii) An amendment to the Declaration that imposes or changes any restrictions on the leasing or rental of Units;
- (xviii) An amendment to the Declaration that imposes or changes any restrictions on a Unit Owner's right to sell or transfer a Unit;
- (xix) Restoration or repair of the Common Interest Community after a hazard damage or partial condemnation in a manner other than that specified in the Documents;
- (xx) Any action taken not to repair or replace the Property in the manner specified in the Documents;
- (xxi) Any action to terminate the Common Interest Community;
- (xxii) Any change in the procedures that protect the interest of an Eligible Mortgagee or Eligible Insurer when handling any losses or proceeds from condemnation, destruction, or liquidation of all or part of the Common Interest Community, or from termination of the Common Interest Community; or
- (xxiii) Any change in any provisions that expressly benefit Eligible Mortgagees or Eligible Insurers.

Section 17.5 - Inspection of Records. The Association shall permit any Eligible Mortgagee or Eligible Insurer to inspect the books and records of the Association during normal business hours on the same terms as Unit Owners.

Section 17.6 - Financial Statements. The Association shall provide any Eligible Mortgagee or Eligible Insurer who submits a written request, with a copy of an annual financial statement within ninety (90) days following the end of each fiscal year of the Association. Such financial statement shall be audited by an independent certified public accountant if any Eligible Mortgagee or Eligible Insurer requests it, in which case the Eligible Mortgagee or Eligible Insurer shall bear the cost of the audit.

Section 17.7 - Attendance at Meetings. Any representative of an Eligible Mortgagee or Eligible Insurer may attend any meeting which a Unit Owner may attend.



Section 17.8 - Appointment of Trustee. In the event of Damage or Destruction under **Article XXII**, or condemnation of all or a portion of the Common Interest Community, any Eligible Mortgagee or Eligible Insurer may require that such proceeds be payable to a Trustee established pursuant to **Section 1.28**. Such Trustee may be required to be a corporate trustee licensed by the State of Alaska. Proceeds will thereafter be distributed pursuant to **Article XXII**, or pursuant to a condemnation award. Unless otherwise required, the members of the Executive Board, acting by majority vote through the President, may act as Trustee.

Section 17.9 – Implied Approval or Consent. The approval or consent of any Person holding a Security Interest in a Unit of any Material Adverse Action shall be deemed granted if a refusal to consent in a record is not received by the Association within sixty (60) days after the Association delivers notice of the proposition requiring consent to the holder of the Security Interest or mails the notice to such holder by certified mail, return receipt requested. The Association may rely on the last-recorded Security Interest of record in delivering or mailing notice to the holder of such Security Interest.

Section 17.10 - Enforcement. The provisions of this Article are for the benefit of Eligible Mortgagees and Eligible Insurers and their successors, and may be enforced by any of them by any available means, at law, or in equity.

ARTICLE XVIII

ASSESSMENT AND COLLECTION OF COMMON EXPENSES

Section 18.1 - Apportionment of Common Expenses. Except as provided in **Section 18.2**, all Common Expenses shall be assessed against all Unit Owners in accordance with their Allocated Interest in the Common Expenses as shown on **Schedule A-2**.

Section 18.2 - Common Expenses Attributable to Fewer Than All Units.

- (a) The Association may, from time to time, provide services to individual Units, their Unit Owners or their occupants at the request of or with the authorization of the Unit Owner. These services may be provided pursuant to a schedule of services and charges established by the Association or they may be provided on an ad hoc basis. Unless the Association is required to provide such services to all Units by the Documents or the Act, or does provide such services to all Units pursuant to a policy or resolution adopted by the Executive Board, any Common Expenses for such services shall be assessed against the Unit to which the service was provided or to whose Unit Owner or occupant the service was provided.
- (b) Any increase in insurance premiums attributable to a particular Unit or Units by virtue of the occupancy of, activities in or construction of the Unit or Units shall be assessed against that Unit or Units.
- (c) An assessment to pay a judgment against the Association may be made only



against the Units in the Common Interest Community at the time the judgment was entered, in proportion to their Common Expense liabilities.

- (d) Notwithstanding the provisions of **Section 22.2** of the Declaration, if a Common Expense is caused by the willful misconduct, failure to comply with the Documents, or the gross negligence of a Unit Owner or tenant or guest or invitee of a Unit Owner or tenant, or if a Unit Owners is required to reimburse the Association pursuant to the provisions of **Section 6.4(a)** of the Declaration, the Association may assess that Common Expense exclusively against the Unit Owner's Unit, following Notice and Hearing to the affected Unit Owner, *subject to the following:*

If the Common Expense is incurred to repair Damage or Destruction to any portion of the Common Interest Community, then:

- (i) The amount assessed exclusively against the Unit Owner's Unit may not exceed the amount of the deductible under the policy of property insurance maintained by the Association, regardless of whether such Damage or Destruction is covered by the insurance policy; and
- (ii) Any portion of the Common Expense that exceeds the amount of the deductible under the policy of property insurance maintained by the Association shall be assessed against all Unit Owners in accordance with **Section 18.1** of the Declaration, regardless of whether such Damage or Destruction is covered by the insurance policy.
- (e) If a Unit Owner is required to reimburse the Association for the cost of restoring damage to the Common Elements pursuant to **Section 6.4(a)** of the Declaration, the amount required to be reimbursed may be assessed against the Unit Owner's Unit, following Notice and Hearing to the affected Unit Owner.
- (f) If the Association takes action under **Section 6.4(c)** of the Declaration to correct a condition caused by a Unit Owner, all reasonably necessary expenses incurred by the Association may be assessed against the Unit Owner's Unit, following Notice and Hearing to the Unit Owner.
- (g) Common Expenses for the Maintenance, Repair and Replacement of Limited Common Element shall be assessed exclusively against the Unit or Units to which such Limited Common Element are allocated.
- (h) Fees, charges, late charges, fines, collection costs, and interest charged against a Unit Owner pursuant to the Documents and the Act are enforceable as Common Expense assessments against the Unit or Units owned by such Unit Owner.



- (i) All reasonable attorney's fees and costs incurred by the Association in enforcing the provisions of the Declaration, the Bylaws, the Rules, or any applicable law, ordinance, or regulation relating to the Common Interest Community against a Unit Owner or a tenant or other occupant of a Unit, with or without the commencement of litigation, arbitration, mediation, administrative proceedings, or hearings before the Executive Board, may be assessed against the Unit Owner's Unit (i) by the Executive Board after Notice and Hearing to the affected Unit Owner; or (ii) as awarded by a court or arbitration.

Section 18.3 - Lien.

- (a) The Association has a lien on a Unit for an assessment levied against the Unit or fines imposed against its Unit Owner from the time the assessment or fine becomes due. Fees, charges, late charges, fines and interest charged pursuant to the Act and the Documents are enforceable as assessments under this Section. If an assessment is payable in installments, the full amount of the assessment is a lien from the time the first installment thereof becomes due.
- (b) A lien under this Section is prior to all other liens and encumbrances on a Unit except: (i) a lien and encumbrances recorded before the recordation of the Declaration; (ii) a first Security Interest on the Unit recorded before the date on which the assessment sought to be enforced became delinquent; and (iii) liens for real estate taxes and other governmental assessments charges against the Unit. A lien under this Section is also prior to all Security Interests described in Subsection (ii) of this **Section 18.3(b)**, if the Common Expense assessments based on the periodic budget adopted by the Association pursuant to **Section 18.4**, which would have become due in the absence of acceleration during the six (6) months immediately preceding institution of an action to enforce either the Association's lien or a Security Interest described in Subsection (ii) of this Section. This Subsection does not affect the priority of mechanics' or material men's liens, or the priority of a lien for other assessments made by the Association. A lien under this Section is not subject to the provision of AS 09.38.010.
- (c) Recording of the Declaration constitutes record notice and perfection of the lien. No further recordation of any claim of lien for assessment under this Section is required.
- (d) A lien for an unpaid assessment is extinguished unless proceedings to enforce the lien are instituted within three (3) years after the full amount of the assessment becomes due; provided, that if a Unit Owner of a Unit subject to a lien under this Section files a petition for relief under the United States Bankruptcy Code, the period of time for instituting proceedings to enforce the Association's lien shall be tolled until thirty (30) days after the automatic stay of proceedings under Section 362 of the Bankruptcy Code is lifted.



- (e) This Section does not prohibit an action to recover sums for which **Section 18.3(a)** creates a lien or prohibit an Association from taking a deed in lieu of foreclosure.
- (f) A judgment or decree in any action brought under this Section shall include costs and reasonable attorneys' fees for the prevailing party.
- (g) A judgment or decree in an action brought under this Section is enforceable by execution under AS 09.35.010.
- (h) The Association's lien must be foreclosed as a lien is foreclosed under AS 34.35.005.
- (i) In any action by the Association to collect assessments or to foreclose a lien for unpaid assessments, the court may appoint a receiver of the Unit Owner to collect all sums alleged to be due from that Unit Owner prior to or during the pendency of the action. The court may order the receiver to pay any sums held by the receiver to the Association during the pendency of the action to the extent of the Association's Common Expense assessments based on a periodic budget adopted by the Association pursuant to **Section 18.4**.
- (j) If a holder of a first or second Security Interest in a Unit forecloses that Security Interest, the purchaser at the foreclosure sale is not liable for any unpaid assessments against that Unit which became due before the sale, other than the assessments which are prior to that Security Interest under **Section 18.3(b)**. Any unpaid assessments not satisfied from the proceeds of the foreclosure sale shall become a Common Expense collectible from all the Unit Owners, excluding the purchaser of the foreclosed Unit.
- (k) Any payments received by the Association in the discharge of a Unit Owner's obligation may be applied to the oldest balance due, regardless of any contrary payment directive given by the Unit Owner.

Section 18.4 - Budget Adoption and Ratification. Within thirty (30) days after adoption of a proposed budget for the Common Interest Community, the Executive Board shall provide a summary of the budget to each Unit Owner, and shall set a date for a meeting of the Unit Owners to consider ratification of the budget not less than fourteen (14) nor more than thirty (30) days after mailing of the summary. Unless at that meeting a majority of all Unit Owners reject the budget, the budget is ratified, whether or not a quorum is present. If the proposed budget is rejected, the periodic budget last ratified by the Unit Owners continues until the Unit Owners ratify a budget proposed by the Executive Board.

Section 18.5 - Ratification of Non-Budgeted Common Expense Assessments. If the Executive Board votes to levy a Common Expense assessment not included in the current budget, other than one enumerated in **Section 18.2**, in an amount greater than fifteen percent (15%) of the



current annual operating budget, the Executive Board shall submit such Common Expense to the Unit Owners for ratification in the same manner as a budget under **Section 18.4**.

Section 18.6 - Certificate of Payment of Common Expense Assessments. The Association upon written request shall furnish to a Unit Owner a statement in recordable form setting out the amount of unpaid assessments against the Unit. The statement must be furnished within ten (10) business days after receipt of the request and is binding on the Association, the Executive Board and each Unit Owner.

Section 18.7 - Commencement of Common Expense Assessments. Common Expense assessments shall begin on the first (1st) day of the month following the month in which conveyance of the first Unit to a Unit Owner other than the Declarant occurs.

Section 18.7 - Monthly Payment of Common Expenses. Common Expenses assessed under **Sections 18.1** and **18.2** shall be due and payable on the first (1st) of each month.

Section 18.8 - Regular Payment of Common Expense Assessments. Common Expenses assessed under **Sections 18.1** and **18.2** shall be due and payable on the first (1st) day of each month, or in such other intervals as the Executive Board determines.

Section 18.9 - Acceleration of Common Expense Assessments. In the event of default for a period of thirty (30) days by any Unit Owner in the payment of any Common Expense assessment levied against his or her Unit, the Executive Board shall have the right, after Notice and Hearing, to declare all unpaid assessments for the pertinent fiscal year to be immediately due and payable.

Section 18.10 - No Waiver of Liability for Common Expenses. No Unit Owner may exempt himself or herself from liability for payment of the Common Expenses by waiver of the use or enjoyment of the Common Elements, or by abandonment of the Unit against which the assessments are made.

Section 18.11 - Personal Liability of Unit Owners. The Unit Owner of a Unit, at the time a Common Expense assessment or portion thereof is due and payable, is personally liable for the assessment. Personal liability for the assessment shall not pass to a successor in title to the Unit unless he or she agrees to assume the obligation.

Section 18.12 - Reserves. As part of the adoption of the regular budget pursuant to **Section 18.4**, the Executive Board shall include an amount which, in its reasonable business judgment, will establish and maintain an adequate reserve fund for the replacement of Improvements within the Common Elements, based upon the Improvement's age, remaining life and estimated replacement cost. Alternatively, the Executive Board, in its reasonable business judgment, may choose not to collect reserves for the Maintenance, Repair and Replacement of the Common Elements. In such case, if any Maintenance, Repair and Replacement of the Common Elements is necessary at a future date, which: (1) the cost of maintenance is not covered; or (2) a deductible is required under the



insurance policy obtained by the Association, a special assessment may be assessed to each Lot Owner for the cost of such maintenance or said insurance deductible.

Section 18.13 - Capitalization of the Association. At the closing of a Unit, each Unit Owner shall be required to pay an amount equal to two (2) months of the Common Expense assessment, at the rate in effect at the time of the sale, in order to establish the *working capital fund*, which is to be used until there are sufficient funds from the Common Expense assessments to cover all on-going operating expenses. Such payment to this fund shall not be considered *advance payments* of the Common Expense assessments. Each Unit's share is collected at the time the sale of the Unit is closed, and then transferred to the Association for deposit to a segregated fund. Within sixty (60) days after conveyance of the first Unit from Declarant to a Unit Owner, the Declarant shall pay each unsold payment from the funds collected at closing when the unsold Units are sold. The working capital fund may be discontinued when the following occurs: (1) the Declarant has completed its transfer of control to the Association; and (2) the Association has demonstrated, at a minimum, a two (2) year history of financial viability to include the establishment of adequate reserves.

ARTICLE XIX **RIGHT TO ASSIGN FUTURE INCOME**

The Association may assign its future income, including its right to receive Common Expense assessments, only by the affirmative vote of Unit Owners of Units to which **seventy five percent (75%)** of the votes in the Association are allocated, at a meeting called for that purpose.

ARTICLE XX **PERSONS AND UNITS SUBJECT TO DOCUMENTS**

Section 20.1 - Compliance with Documents. All Unit Owners, tenants, mortgagees and occupants of Units shall comply with the Documents. The acceptance of a deed or the exercise of any incident of ownership or the entering into of a lease or the entering into occupancy of a Unit constitutes agreement that the provisions of the Documents are accepted and ratified by such Unit Owner, tenant, mortgagee or occupant, and all such provisions recorded in the records of the Anchorage Recording District in the Third Judicial District are covenants running with the land and shall bind any Persons having at any time any interest or estate in such Unit.

Section 20.2 - Adoption of Rules. Following Notice and Comment to all Unit Owners, the Executive Board may adopt Rules concerning: (a) the use and occupancy of Units, Common Elements, and Limited Common Elements; (b) the activities of Unit Owners, tenants, visitors or occupants within the Common Interest Community; and (c) the assessment of fines against Unit Owners, consistent with the Declaration, for any violation of the provisions of the Documents.

The Executive Board may not adopt a Rule which contravenes an express provision of the Declaration or a right reasonably inferable from an express provision of this Declaration, but the Executive Board may adopt a Rule implementing, refining, or applying an express provision of the



Declaration so long as such Rule does not contravene an express provision of the Declaration or a right reasonably inferable therefrom.

Section 20.3 – Notice to Unit Owners of Rule Changes. Following the adoption, amendment, or repeal of a Rule, the Executive Board shall promptly give all Unit Owners notice of its action and include with it a copy of any new or amended Rule.

Section 20.4 – Limitation on Challenges. No action to challenge the validity of any adoption, amendment, or repeal of a Rule adopted may be brought more than one (1) year after the date that notice of the adoption, amendment, or repeal of a Rule was given to the Unit Owners.

ARTICLE XXI

INSURANCE

Section 21.1 - Coverage. To the extent reasonably available, the Executive Board shall obtain and maintain insurance coverage as set forth in this **Article XXI**. If such insurance is not reasonably available, and the Executive Board determines that any insurance described herein will not be maintained, the Executive Board shall cause notice of that fact to be hand-delivered or sent prepaid by United States mail to all Unit Owners and Eligible Mortgagees at their respective last known addresses.

Section 21.2 - Property Insurance.

- (a) *Coverage.* Property insurance will cover:
- (i) The project facilities (which term means all buildings on the Property, including the Units and all fixtures, equipment and any Improvements) but excluding betterments and improvements installed by a Unit Owner, and excluding land, excavations, foundations, underground pilings, piers, pipes, flues and drains, and other items normally excluded from property policies; and
 - (ii) All personal property owned by the Association.
- (b) *Amounts.* Property insurance shall be for the following amounts:
- (i) The project facilities for an amount (after application of any deductions) equal to one hundred percent (100%) of their actual cash value, but not less than their insurable replacement cost, at the time the insurance is purchased and at each renewal date.
 - (ii) Personal property owned by the Association for an amount equal to its actual cash value.



- (iii) The Executive Board is authorized to obtain appraisals periodically for the purpose of establishing said replacement cost of the project facilities and the actual cash value of the personal property, and the cost of such appraisals shall be a Common Expense.
- (c) *Risks Insured Against.* The insurance shall afford protection against all risks of direct physical loss commonly insured against, and such other perils as the Executive Board deems it appropriate to cover.
- (d) *Other Provisions.* Insurance policies required by this Section shall provide that:
 - (i) The insurer waives the right to subrogation under the policy against a Unit Owner or member of the household of a Unit Owner.
 - (ii) An act or omission by a Unit Owner, unless acting within the scope of the Unit Owner's authority on behalf of the Association, will not void the policy or be a condition of recovery under the policy.
 - (iii) If, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the policy of the Association provides primary insurance.
 - (iv) Loss must be adjusted with the Association.
 - (v) Insurance proceeds shall be paid to any insurance trustee designated in the policy for that purpose, and in the absence of such designation to the Association, in either case to be held in trust for each Unit Owner and such Unit Owner's mortgagee.
 - (vi) The insurer may not cancel or refuse to renew the policy until thirty (30) days after notice of the proposed cancellation or non-renewal has been mailed to the Association and each holder of a Security Interest to whom a certificate or memorandum of insurance has been issued, at their respective last known addresses.
 - (vii) The name of the insured shall be substantially as follows:

“POWDER RUN OWNERS ASSOCIATION, INC., *for the use and benefit of the individual Unit Owners.*”
 - (viii) *Building Ordinance or Law Insurance Coverage.* To the extent it is reasonably available, Building Ordinance or Law Insurance coverage shall be maintained, covering the costs attributable to the enforcement of any building, zoning, or land use law resulting in loss or damage, increased cost



of repairs or reconstruction, or additional demolition and removal costs. The coverage must provide for contingent liability from the operation of building laws, demolition costs, and increased costs of reconstruction.

- (ix) *Inflation Guard Endorsement.* To the extent it is reasonably available, the Association's property insurance shall include an Inflation Guard Endorsement.

Section 21.3 - Liability Insurance. Liability insurance, including medical payments insurance, shall be in an amount determined by the Executive Board but in no event less than one million dollars (\$1,000,000.00), covering all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Common Elements, and the activities of the Association.

- (a) *Other Provisions.* Insurance policies carried pursuant to this Section shall provide that:
 - (i) Each Unit Owner is an insured Person under the policy with respect to liability arising out of interest of the Unit Owner in the Common Elements or membership in the Association.
 - (ii) The insurer waives the right to subrogation under the policy against a Unit Owner, or member of the household of a Unit Owner.
 - (iii) An act or omission by a Unit Owner, unless acting within the scope of the Unit Owner's authority on behalf of the Association, will not void the policy or be a condition to recovery under the policy.
 - (iv) If, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the policy of the Association provides primary insurance.
 - (v) The insurer issuing the policy may not cancel or refuse to renew it until thirty (30) days after notice of the proposed cancellation or non-renewal has been mailed to the Association and each holder of a Security Interest to whom a certificate or memorandum of insurance has been issued at their last known addresses.

Section 21.4 - Fidelity Insurance. A blanket fidelity insurance policy shall be obtained for anyone who either handles or is responsible for funds held or administered by the Association, whether or not they receive compensation for their services. The policy shall name the Association as the insured and shall cover the maximum funds that will be in the custody of the Association or the Manager at any time while the policy is in force and in no event less than the sum of three (3) months' assessments plus reserve funds. The policy shall provide that the insurer may not cancel or



refuse to renew the policy until sixty (60) days after notice of the proposed cancellation or non-renewal has been mailed to the Association, each Unit Owner, each holder of a Security Interest in a Unit, and to the insurance trustee, if any, at their respective last known addresses.

Section 21.5 - Workers' Compensation Insurance. The Association shall obtain and maintain Workers' Compensation Insurance to meet the requirements of the laws of the State of Alaska.

Section 21.6 - Directors' and Officers' Liability Insurance. The Executive Board shall obtain and maintain Directors' and officers' liability insurance, if reasonably available, covering all of the Directors and officers of the Association in such limits as the Executive Board may, from time to time, determine.

Section 21.7 - Other Insurance. The Association may carry other insurance which the Executive Board considers appropriate to protect the Association or the Unit Owners.

Section 21.8 - Premiums. The cost of premiums for insurance maintained by the Association shall be a Common Expense.

Section 21.9 – Deductibles. The maximum deductible for insurance policies shall be in an amount that satisfies the requirements of the Financing Agencies as are typically used to finance condominium purchases. Except as provided in **Section 18.2**, any deductibles for insurance coverage maintained by the Association shall be paid by the Association as a Common Expense.

Section 21.10 – Unit Owner Policies.

- (a) Each Unit Owner shall obtain and maintain in effect, at their own expense, a condominium unit owner's insurance policy (namely form type HO-6 as established by Insurance Services Office, Inc., or its equivalent) that includes, at a minimum, coverage for betterments and improvements to the Unit installed by a Unit Owner, personal property coverage, liability coverage, loss assessment coverage, and coverage for assessments to reimburse the Association for costs in excess of insurance proceeds. All such Unit Owner's policies shall, if permitted by the insurer, contain waivers of subrogation in favor of the Association.
- (b) No Unit Owner shall maintain such insurance coverage which would decrease the amount which the Association may realize under any insurance policy maintained by the Association, or to cause any insurance coverage maintained by the Association to be brought into contribution with insurance coverage obtained by a Unit Owner.
- (c) Proof of insurance required to be carried under this **Section 21.10** shall be provided to the Executive Board at any time upon request. However, neither the Association



nor its officers, directors or managers have any obligation to monitor whether a Unit Owner has procured such personal insurance coverage.

ARTICLE XXII
DAMAGE TO OR DESTRUCTION OF PROPERTY

Section 22.1 - Duty to Restore. A portion of the Common Interest Community for which insurance is required under AS 34.08.440 or for which insurance carried by the Association is in effect, whichever is more extensive, that is Damaged or Destroyed must be repaired or replaced promptly by the Association unless:

- (a) The Common Interest Community is terminated;
- (b) Repair or replacement would be illegal under a state statute or municipal ordinance governing health or safety; or
- (c) Eighty percent (80%) of the Unit Owners, including each Unit Owner of a Unit or assigned Limited Common Element that will not be rebuilt, vote not to rebuild.

Section 22.2 – Cost of Restoration. Except as provided in **Section 18.2(d)**, the cost of restoring Damage or Destruction in excess of insurance proceeds and reserves is a Common Expense.

Section 22.3 - Plans. The Property must be repaired and restored in accordance with either the original plans and specifications or other plans and specifications which have been approved by the Executive Board, a Majority of Unit Owners and at least fifty-one percent (51%) of Eligible Mortgagees.

Section 22.4 - Replacement of Less Than Entire Property. If the entire Common Interest Community is not repaired or replaced, then:

- (a) The insurance proceeds attributable to the Damaged or Destroyed Common Elements shall be used to restore the Damaged or Destroyed area to a condition compatible with the remainder of the Common Interest Community.
- (b) Except to the extent that other Persons will be distributes:
 - (i) the insurance proceeds attributable to a Unit and Limited Common Elements that is not rebuilt must be distributed to the Unit Owner of the Unit and the Unit Owner of the Unit to which the Limited Common Elements were allocated, or to lien holders, as their interests may appear; and



- (ii) the remainder of the proceeds must be distributed to each Unit Owner or lien holder, as their interests may appear, in proportion to the Common Element interests of all the Units.

Section 22.5 – Vote Not to Rebuild a Unit. If the Unit Owners vote not to rebuild a Unit in accordance with **Section 21.1(c)**, the Allocated Interests of the Unit are reallocated upon the vote as if the Unit had been condemned under Section 34.08.740(a) of the Act, and the Association shall promptly prepare, execute and record an amendment to the Declaration reflecting the reallocations.

Section 22.6 - Insurance Proceeds. The insurance trustee, or if there is no insurance trustee, then the Executive Board of the Association, acting by the President, shall hold any insurance proceeds in trust for the Association, Unit Owners and lien holders as their interests may appear. Subject to the provisions of **Section 22.1(a)** through **Section 22.1(c)**, the proceeds shall be disbursed first for the repair or restoration of the Damaged or Destroyed Property, and the Association, Unit Owners and lien holders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the Property has been completely repaired or restored, or the Common Interest Community is terminated.

Section 22.7 - Certificates by the Executive Board. The Trustee, if any, may rely on the following certifications in writing made by the Executive Board:

- (a) Whether or not Damaged or Destroyed Property is to be repaired or restored;
- (b) The amount or amounts to be paid for repairs or restoration and the names and addresses of the parties to whom such amounts are to be paid.

Section 22.8 - Title Insurance Policies. If payments are to be made to Unit Owners or mortgagees, the Executive Board, and the Trustee, if any, shall obtain and may rely on a title insurance policy based on a search of the records of the Anchorage Recording District of the Third Judicial District from the date of the recording of the original Declaration stating the names of the Unit Owners and the lienholders.

ARTICLE XXIII

RIGHTS TO NOTICE AND COMMENT; NOTICE AND HEARING

Section 23.1 - Right to Notice and Comment. Before the Executive Board amends the Bylaws or the Rules, whenever the Documents require that an action be taken after "Notice and Comment", and at any other time the Executive Board determines, the Unit Owners have the right to receive notice of the proposed action and the right to comment orally or in writing. Notice of the proposed action shall be given to each Unit Owner in writing and **shall be delivered personally or by mail** to all Unit Owners at such address as appears in the records of the Association, or published in a newsletter or similar publication which is routinely circulated to all Unit Owners. The notice shall be given not less than ten (10) days before the proposed action is to be taken. It shall invite comment to the Executive Board orally or in writing before the scheduled time of the meeting. The



right to Notice and Comment does not entitle a Unit Owner to be heard at a formally constituted meeting.

Section 23.2 - Right to Notice and Hearing. Whenever the Documents require that an action be taken after "Notice and Hearing", the following procedure shall be observed: The party proposing to take the action (e.g., the Executive Board, a committee, an officer, the manager, etc.) shall give written notice of the proposed action to all Unit Owners or occupants of Units whose interest would be significantly affected by the proposed action. Notice of the proposed action shall be given to each Unit Owner in writing and **shall be delivered personally or by mail** to all Unit Owners at such address as appears in the records of the Association, or published in a newsletter or similar publication which is routinely circulated to all Unit Owners. The notice shall include a general statement of the proposed action and the date, time and place of the hearing. At the hearing, the affected person shall have the right, personally or by a representative, to give testimony orally, in writing or both (as specified in the notice), subject to reasonable rules of procedure established by the party conducting the meeting to assure a prompt and orderly resolution of the issues. Such evidence shall be considered in making the decision but shall not bind the decision makers. The affected person shall be notified of the decision in the same manner in which notice of the meeting was given.

Section 23.3 - Appeals. Any Person having a right to Notice and Hearing shall have the right to appeal to the Executive Board from a decision of Persons other than the Executive Board by filing a written notice of appeal with the Executive Board within ten (10) days after being notified of the decision. The Executive Board shall conduct a hearing within thirty (30) days, giving the same notice and observing the same procedures as were required for the original meeting.

Section 23.4 - Mediation and Arbitration.

- (a) *Mediation Clause.* No Unit Owner shall commence an arbitration proceeding under the provisions of **Section 23.4(b)** below unless such Unit Owner shall first give a written notice (a "**Dispute Notice**") to the Association stating the nature of the dispute. The parties shall attempt in good faith to resolve the dispute by mediation under the Commercial Mediation Rules of the American Arbitration Association in effect on the date of this Agreement. If the dispute has not been resolved by mediation as provided above within sixty (60) days after the delivery of the Dispute Notice, the dispute shall be determined by arbitration in accordance with the provisions of **Section 23.4(b)**.
- (b) *Arbitration Clause.* Any controversy, claim, or dispute of whatever nature arising between Unit Owners or between Unit Owners and the Association, including but not limited to, those arising out of, or relating to, the Declaration and associated Documents or the construction, interpretation, performance, breach, termination, enforceability or validity of the Declaration, or deadlock on any matter requiring a vote of the Unit Owners or Executive Board members, whether such claim existed before or arises on or after the date of the Declaration, including the determination of



the scope of the Declaration to arbitrate, that is not settled through mediation as provided in **Section 23.4(a)** above shall be determined by arbitration, by one arbitrator in Anchorage, governed and administered by the American Arbitration Association under its Commercial Arbitration Rules. Judgment upon the arbitration award may be entered in any court having jurisdiction. The arbitrators shall award the prevailing party reasonable expenses and costs including reasonable attorneys' fees plus interest on the amount due at the legal rate provided in AS 45.45.010(a). The arbitrator's decision shall be final and binding and judgment may be entered thereon. In the event a party fails to proceed with arbitration, unsuccessfully challenges the arbitrator's award, or fails to comply with arbitrator's award, the other party is entitled reasonable expenses and costs including a reasonable attorney's fee for having to compel arbitration or defend or enforce the award.

ARTICLE XXIV
EXECUTIVE BOARD

Section 24.1 – Powers and Duties. The Executive Board may act in all instances on behalf of the Association, except as provided in the Declaration, the Bylaws or the Act. The Executive Board shall have, subject to the limitations contained in the Declaration and the Act, the powers and duties necessary for the administration of the affairs of the Association and of the Common Interest Community which shall include, but not be limited to, the following:

- (a) Adopt and amend Bylaws, Rules and regulations;
- (b) Adopt and amend budgets for revenues, expenditures and reserves;
- (c) Collect assessments for Common Expenses from Unit Owners;
- (d) Hire and discharge managing agents;
- (e) Hire and discharge employees and agents, other than managing agents, and independent contractors;
- (f) Institute, defend or intervene in litigation or administrative proceedings or seek injunctive relief for violation of the Association's Declaration, Bylaws or Rules in the Association's name on behalf of the Association or two (2) or more Unit Owners on matters affecting the Common Interest Community;
- (g) Make contracts and incur liabilities;
- (h) Regulate the use, maintenance, repair, replacement and modification of the Common Elements.
- (i) Cause additional Improvements to be made as a part of the Common Elements;



- (j) Acquire, hold, encumber and convey in this Association's name any right, title or interest to real property or personal property, but Common Elements may be conveyed or subjected to a Security Interest only pursuant to Section 34.08.430 of the Act;
- (k) Grant easements for any period of time including permanent easements, and leases, licenses and concessions, through or over the Common Elements;
- (l) Impose and receive a payment, fee or charge for the use, rental or operation of the Common Elements, or for services provided to Unit Owners;
- (m) Impose a reasonable charge for late payment of assessments and, after providing a Unit Owner with notice and an opportunity to be heard, levy a reasonable fine for violations of this Declaration, Bylaws, Rules and regulations of the Association;
- (n) Impose a reasonable charge for the preparation and recordation of amendments to the Declaration, resale certificates required by Section 34.08.590 of the Act or a statement of unpaid assessments;
- (o) Provide for the indemnification of the Association's officers and Executive Board and maintain Directors' and officers' liability insurance;
- (p) Assign the Association's right to future income, including the right to receive Common Expense assessments;
- (q) Exercise any other powers conferred by the Declaration or the Bylaws;
- (r) Exercise any other power that may be exercised in this state by legal entities of the same type as the Association; and
- (s) Exercise any other power necessary and proper for the governance and operation of the Association.

Section 24.2 – Executive Board Limitations. The Executive Board may not act on behalf of the Association to amend the Declaration, to terminate the Common Interest Community or to elect members of the Executive Board or determine the qualifications, powers and duties, or terms of office of Executive Board members, but the Executive Board may fill vacancies in its membership for the unexpired portion of any term.

Section 24.3 - Executive Board Meetings.

- (a) *Notice.* Notice of meetings shall be provided in accordance with the provisions of the Bylaws.



- (b) *Access.* All meetings of the Executive Board at which action is to be taken by vote at such meeting will be open to the Unit Owners, except as otherwise provided herein.
- (c) *Executive Sessions.* Meetings of the Executive Board may be held in executive session, without giving notice and without the requirement that they be open to Unit Owners, in either of the following situations only:
 - (i) No action is taken at the executive session requiring the affirmative vote of Directors; or
 - (ii) The action taken at the executive session involves personnel, pending litigation, contract negotiations, or enforcement actions.
- (d) *Minutes.* The Executive Board shall permit any Unit Owner to inspect the minutes of Executive Board meetings during normal business hours. The minutes shall be available for inspection within fifteen (15) days after any such meeting.

ARTICLE XXV
CONDEMNATION

If part or all of the Common Interest Community is taken by any power having the authority of eminent domain, all compensation and damages for and on account of the taking shall be payable in accordance with AS 34.08.740.

ARTICLE XXVI
MISCELLANEOUS

Section 26.1 - Captions. The captions contained in the Documents are inserted only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of the Documents, nor the intent of any provision thereof.

Section 26.2 - Gender. The use of the masculine gender refers to the feminine and neutral genders and the use of the singular includes the plural, and vice versa, whenever the context of the Documents so require.

Section 26.3 - Waiver. No provision contained in the Documents is abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 26.4 - Invalidity. The invalidity of any provision of the Documents does not impair or affect in any manner the validity, enforceability, or effect of the remainder, and in such event, all of the other provisions of the Documents shall continue in full force and effect.



Section 26.5 - Conflict. The Documents are intended to comply with the requirements of the Act and Title 10, Chapter 20 of the Alaska Statutes (Alaska Nonprofit Corporation Act). In the event of any conflict between the Documents and the provisions of the statutes, the provisions of the statutes shall control. In the event of any conflict between the Declaration and any other Document, the Declaration shall control.

Section 26.6 - Rights of Action. The Association and any aggrieved Unit Owner shall have a right of action against Unit Owners for failure to comply with the provisions of the Documents, or with decisions of the Association which are made pursuant to the Documents. Unit Owners shall also have such rights of action against the Association. In an action to enforce the provisions of the Declaration, the prevailing party shall be entitled to recover court costs, actual damages, fines imposed pursuant to the Declaration, and reasonable actual attorney fees.

Section 26.7 - Association Not a Guarantor of Security. Each Unit Owner and their respective tenants, guests or invitees shall be responsible for their own personal safety and the security of their property in the Common Interest Community. The Association is not an insurer or guarantor of safety or security within the Common Interest Community. The Association may, but shall not be obligated to, maintain or support certain activities within the Common Interest Community designed to make the Property safer than it otherwise might be.

NEITHER THE ASSOCIATION, THE DECLARANT, NOR ANY SUCCESSOR DECLARANT, SHALL BE CONSIDERED AN INSURER OR GUARANTOR OF SECURITY WITHIN THE COMMON INTEREST COMMUNITY, NOR SHALL THEY BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR OF INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. EACH UNIT OWNER ACKNOWLEDGES, UNDERSTANDS, AND COVENANTS TO INFORM ITS TENANTS AND UNIT OCCUPANTS THAT THE ASSOCIATION, ITS EXECUTIVE BOARD AND COMMITTEES, DECLARANT AND ANY SUCCESSOR DECLARANT ARE NOT INSURERS AND THAT EACH PERSON USING THE COMMON INTEREST COMMUNITY ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO UNITS AND TO THE CONTENTS OF UNITS RESULTING FROM ACTS OF THIRD PARTIES.

ARTICLE XXVIII **CHANGES IN LAW**

Certain provisions of the Declaration and the Bylaws repeat exactly or substantially the same Rule or outcome in a particular instance as that required by the Act. Certain provisions repeat the same Rule which the Act would impose as a default Rule if the Declaration or Bylaws were silent on that subject. The Declarant anticipates the possibility that the Act will be amended from time to time to reflect contemporary thinking and experience regarding the structure and governance of common interest communities. The Declarant believes it is in the best interests of the members of the Common Interest Community that the Property always be governed in



accordance with the most current provisions of the Act, subject to the right in any particular case of the Unit Owners and the Executive Board to vary outcomes by adopting a rule or amendment to the Declaration in the manner provided for such amendments.

Accordingly, this Section directs that, in the future and from time to time, in all instances where the Declaration or the Bylaws contain language that precisely or substantially tracks the Act on the date that the Declaration is recorded, the Declaration and the Bylaws shall be automatically amended in accordance with the amended cognate language of the Act which may be adopted by the State of Alaska, unless the particular language of the Declaration or Bylaws, either as initially adopted or as amended at any subsequent time by the Association, is substantially at variance with the amended text of the Act.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed this 30 day of December, 2022.

Signed, Sealed and Delivered
in the Presence of:

MGJ BUILDING GROUP, LLC

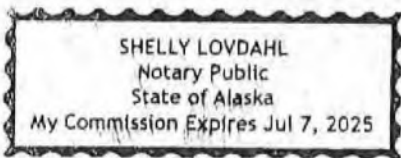


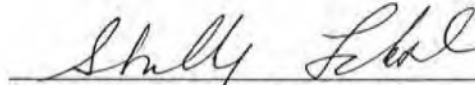
By: Moises Gutierrez, Jr.
Its: Member

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 30 day of December, 2022, before me, the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared **MOISES GUTIERREZ, JR.** to me known and known to me to be the **MEMBER** of **MGJ BUILDING GROUP, LLC**, and known to me to be the person who signed the foregoing instrument, on behalf of said limited liability company, and he acknowledged to me that he signed and sealed the same as a free act and deed of the said corporation for the uses and purposes therein expressed pursuant to its bylaws or a resolution of its Executive Board.

WITNESS my hand and official seal on the day and year in this certificate first above written.





Notary Public in and for Alaska
My Commission Expires: July 7, 2025



APPROVAL OF LENDER - NORTHRIM BANK

The undersigned is the beneficiary under the following Deed of Trust:

- 1. *Commercial Construction Deed of Trust*, including terms and provisions thereof, securing the amount shown together with any other amounts due thereunder, between MGJ BUILDING GROUP, LLC, as Grantor, and NORTHRIM BANK, as Lender, dated March 1, 2022 and recorded on March 8, 2022, as Serial No. 2022-009371-0, records of the Anchorage Recording District, Third Judicial District, State of Alaska.

The undersigned beneficiary approves the foregoing amendment to the Declaration, and the undersigned agrees and acknowledges that any foreclosure or enforcement of any other remedy available to the undersigned under said Deed of Trust shall not render void or otherwise impair the validity of the Declaration and the covenants running with the land described in the Declaration.

DATED: this 30 day of December, 2022.

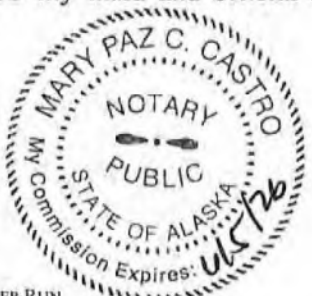
NORTHRIM BANK

By: Catherine Claxton
 Print Name: Catherine Claxton
 Its: Senior Vice President

STATE OF ALASKA)
)
 THIRD JUDICIAL DISTRICT) ss.

THIS IS TO CERTIFY that on this 30 day of December, 2022, before me, the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Catherin Claxton, known to me to be the Senior Vice President of NORTHRIM BANK and known to me to be the person who signed the foregoing instrument, on behalf of said entity and they acknowledged to me that they signed and sealed the same as a free act and deed for the uses and purposes therein expressed pursuant to its bylaws or a resolution of its Board of Directors.

WITNESS my hand and official seal on the day and year in this certificate first above written.



MPCastro
 Notary Public in and for Alaska
 My Commission Expires: 6/5/2026



SCHEDULE A-1
DESCRIPTION OF COMMON INTEREST COMMUNITY

PROPERTY IN THE COMMON INTEREST COMMUNITY

Lot 3, U.S. SURVEY No. 3042, according to the official Bureau of Land Management Survey thereof, records of the Anchorage Recording District, Third Judicial District, State of Alaska.

THE RECORDING DATA FOR RECORDED EASEMENTS & LICENSES
APPURTENANT TO OR INCLUDED IN
THE COMMON INTEREST COMMUNITY

1. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; and water rights, claims or title to water, whether or not the matters are shown by the public records.
2. Rights of the state of federal government and/or public in and to any portion of the land for right of way as established by federal statute RS 2477 (whether or not such rights are shown by recordings of easements and/or maps in the public records by the State of Alaska showing the general location of these rights of way).
3. Reservations and exceptions as contained in the United States Patent and/or in Acts authorizing the issuance thereof.
4. Taxes and/or assessments due the Municipality of Anchorage, if any.
5. Reservation of easement for highway purposes, and any assignments or uses thereof for recreational, utility or other purposes, as disclosed by Public Land Order No. 601, dated August 10, 1949; as amended by Public Land Order No. 757, dated October 10, 1959; Public Land Order No. 1613, dated April 7, 1958; and as disclosed by Department of Interior Order No. 2665, dated October 16, 1951; as amended by Amendment No. 1 thereto, dated September 15, 1956, filed in the Federal Register.
6. Stormwater Facility Operation and Maintenance Agreement, including the terms and provisions thereof, recorded on October 2, 2020, as Serial No. 2020-046035-0, records of the Anchorage Recording District, Third Judicial District, State of Alaska.
7. Notice of Zoning Action, Zoning File 2020-0097, recorded October 22, 2021, as Serial No. 2021-057342-0, records of the Anchorage Recording District, Third Judicial District, State of Alaska.



SCHEDULE A-2
TABLE OF INTERESTS

<u>Unit No.</u>	<u>Percentage Interest in the Common Elements</u>	<u>Percentage Share of Common Expenses</u>	<u>Vote in the Affairs of the Association</u>	<u>Limited Common Element Driveways (DW), Decks (D), Entryways (E)</u>
1	11.12%	11.12%	1	DW-1; D-1;E-1
2	11.12%	11.12%	1	DW-2; D-2; E-2
3	11.12%	11.12%	1	DW-3;D-3;E-3
4	11.12%	11.12%	1	DW-4;D-4;E-4
5	11.12%	11.12%	1	DW-5;D-5;E-5
6	11.12%	11.12%	1	DW-6;D-6;E-6
7	11.12%	11.12%	1	DW-7;D-7;E-7
8	11.12%	11.12%	1	DW-8;D-8;E-8
9	11.12%	11.12%	1	DW-9;D-9;E-9
TOTALS:	9 Units	100%	100%	9 Votes



SCHEDULE A-3
PLAT AND PLANS

Plat No. 202 3 - 1

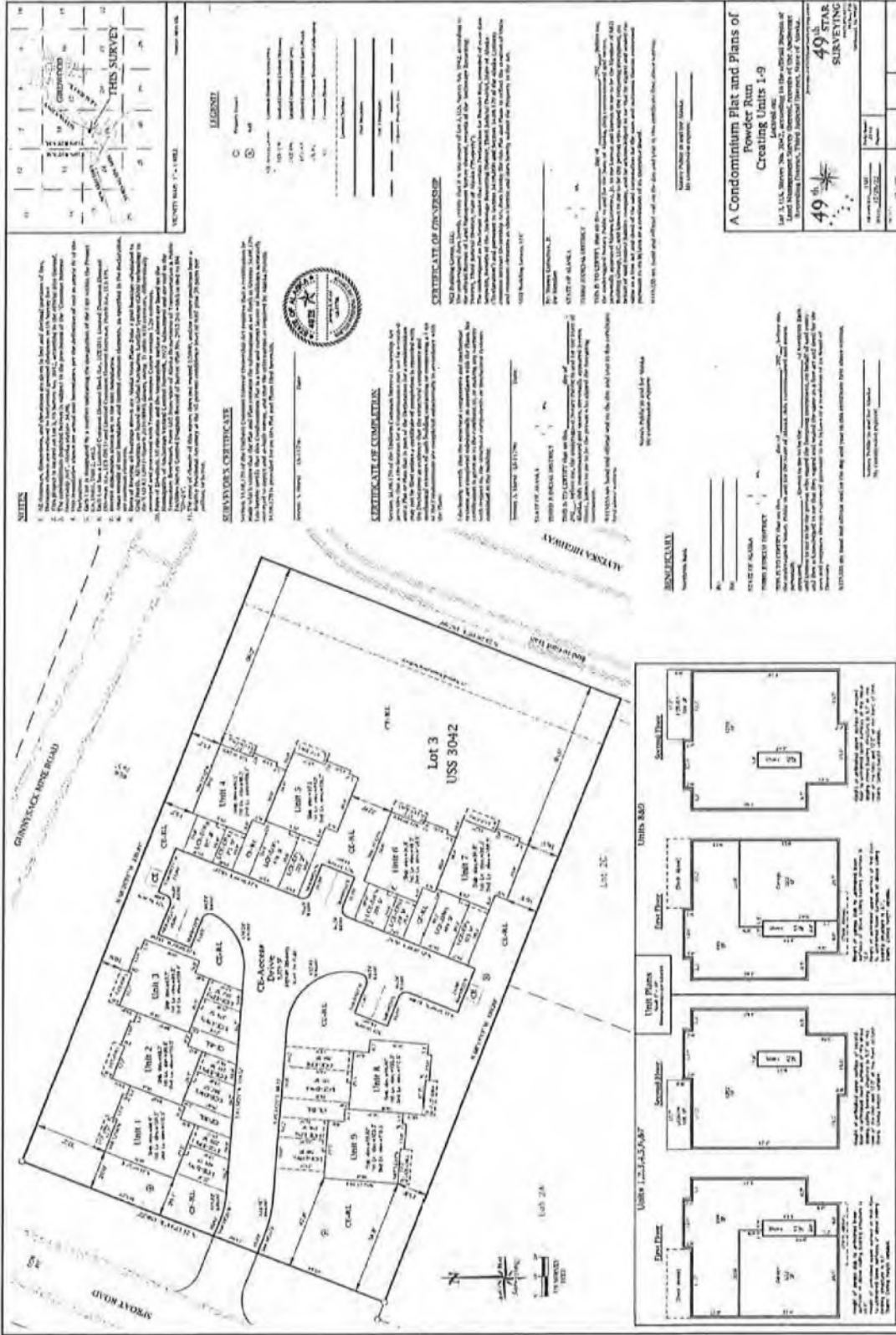
Plat Serial No. 202 3 - 000003 - 0

ANCHORAGE RECORDING DISTRICT

POWDER RUN
Creating Units 1-9

**THE FOLLOWING PAGES ARE ENLARGEMENTS
OF THE PLAT AND PLANS PRIOR TO BEING SIGNED AND RECORDED**



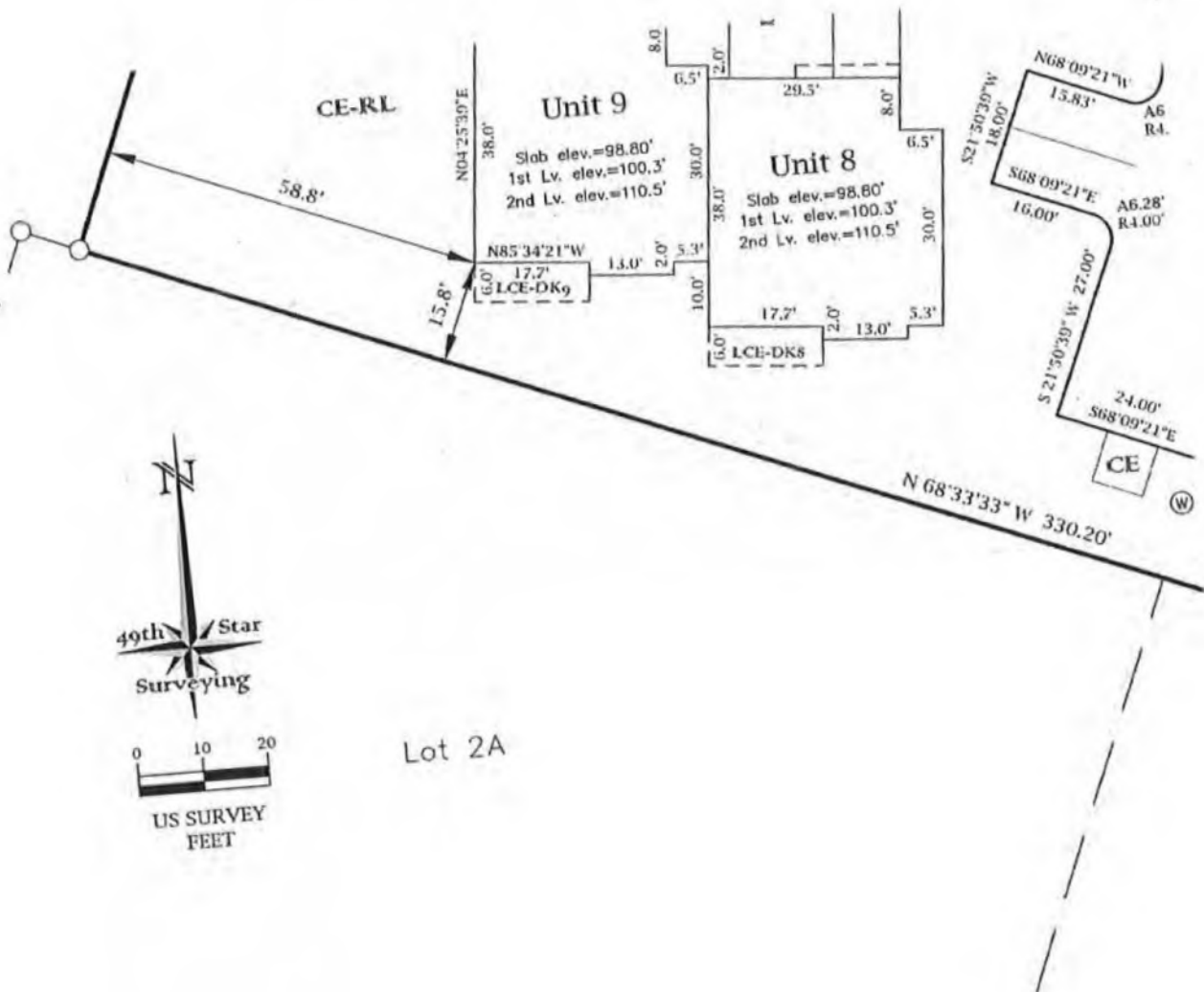


DECLARATION OF POWDER RUN
G470705087368



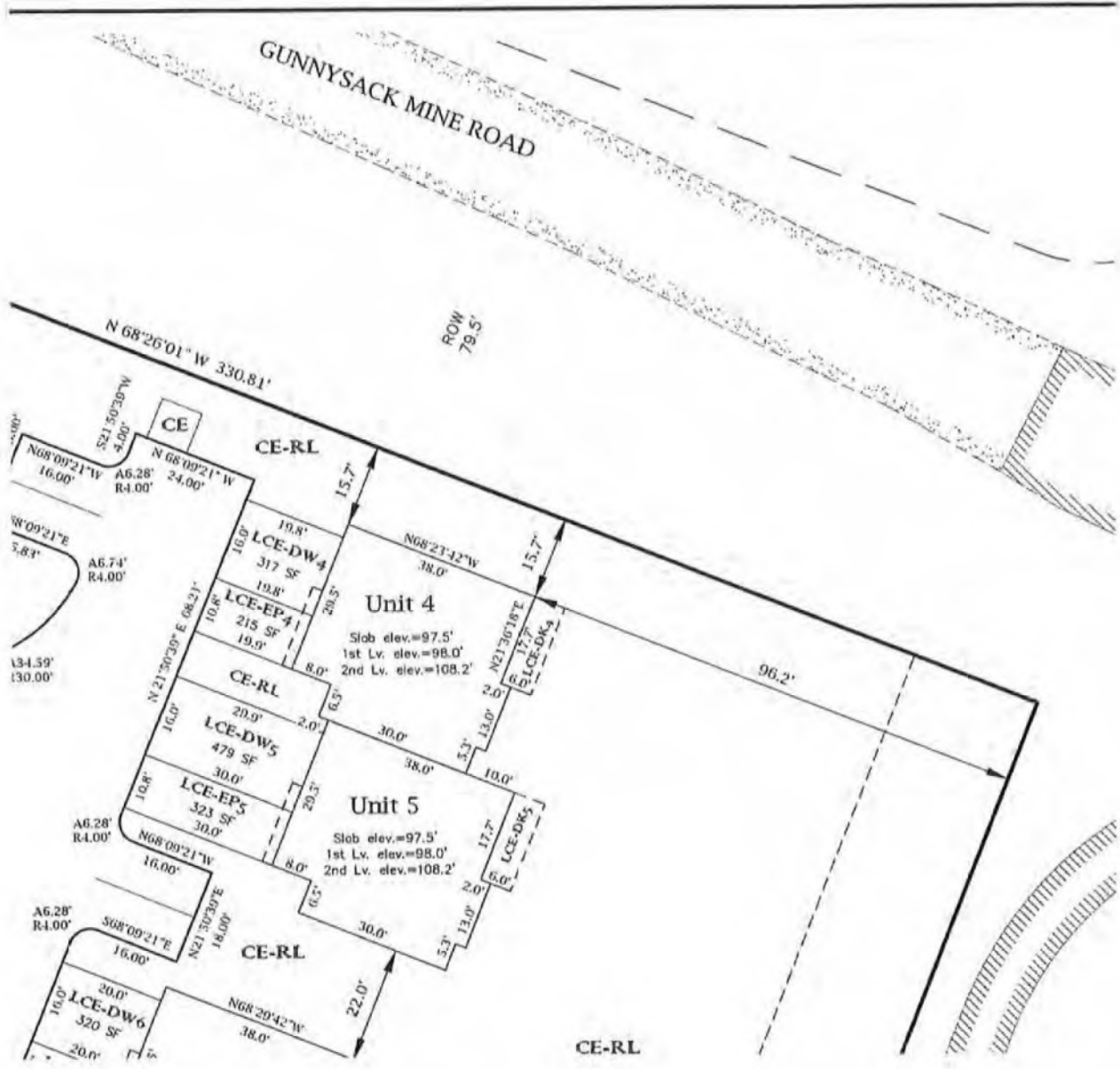
THE FOLLOWING PAGES ARE ENLARGEMENTS OF THE PLAT

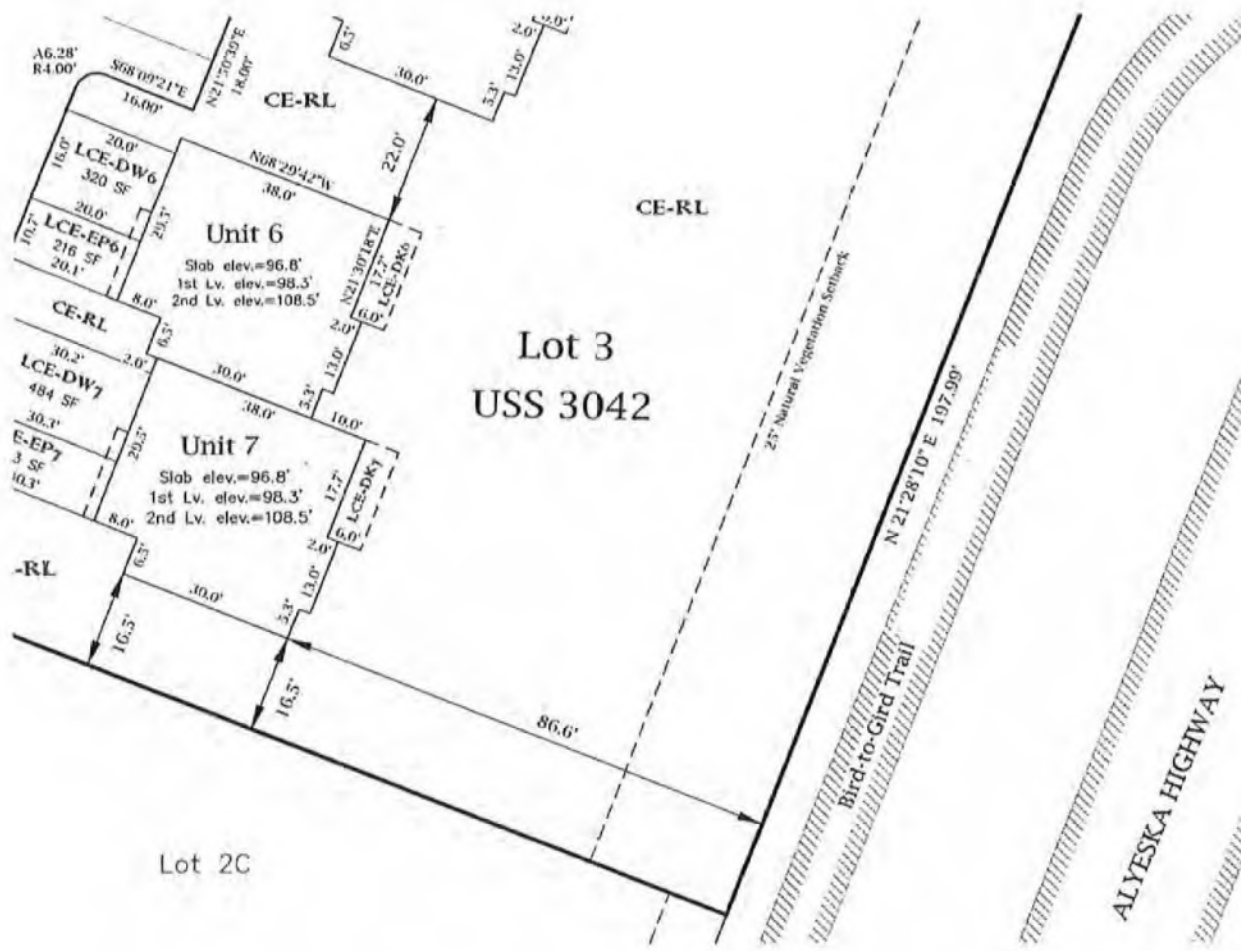




DECLARATION OF POWDER RUN
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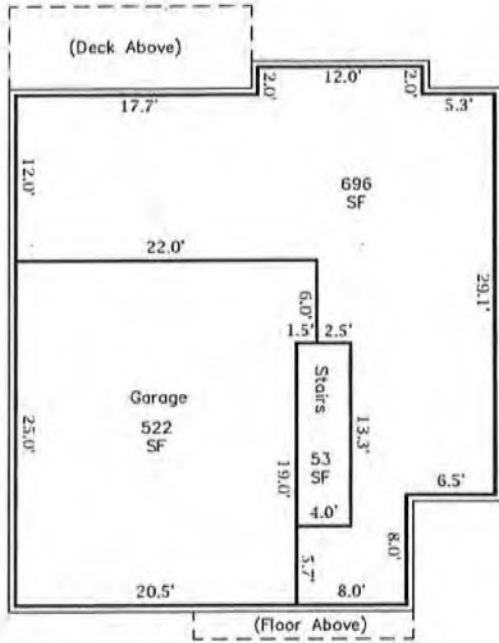




Units 1,2,3,4,5,6,&7

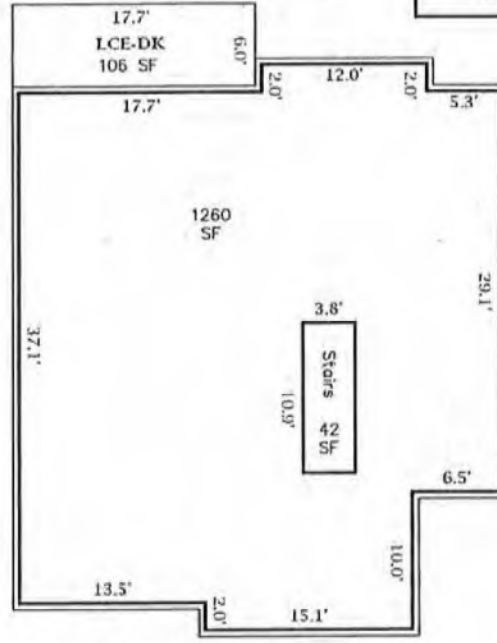
Unit Pla
Scale 1" = 10'
Measurements are

First Floor



Height of garage slab to unfinished lower surfaces of above ceiling bearing structure is 10.6'.
Height of unfinished upper surface of first floor to unfinished lower surfaces of above ceiling bearing structure is 9.1'.
Stairs: Ceiling height variable.

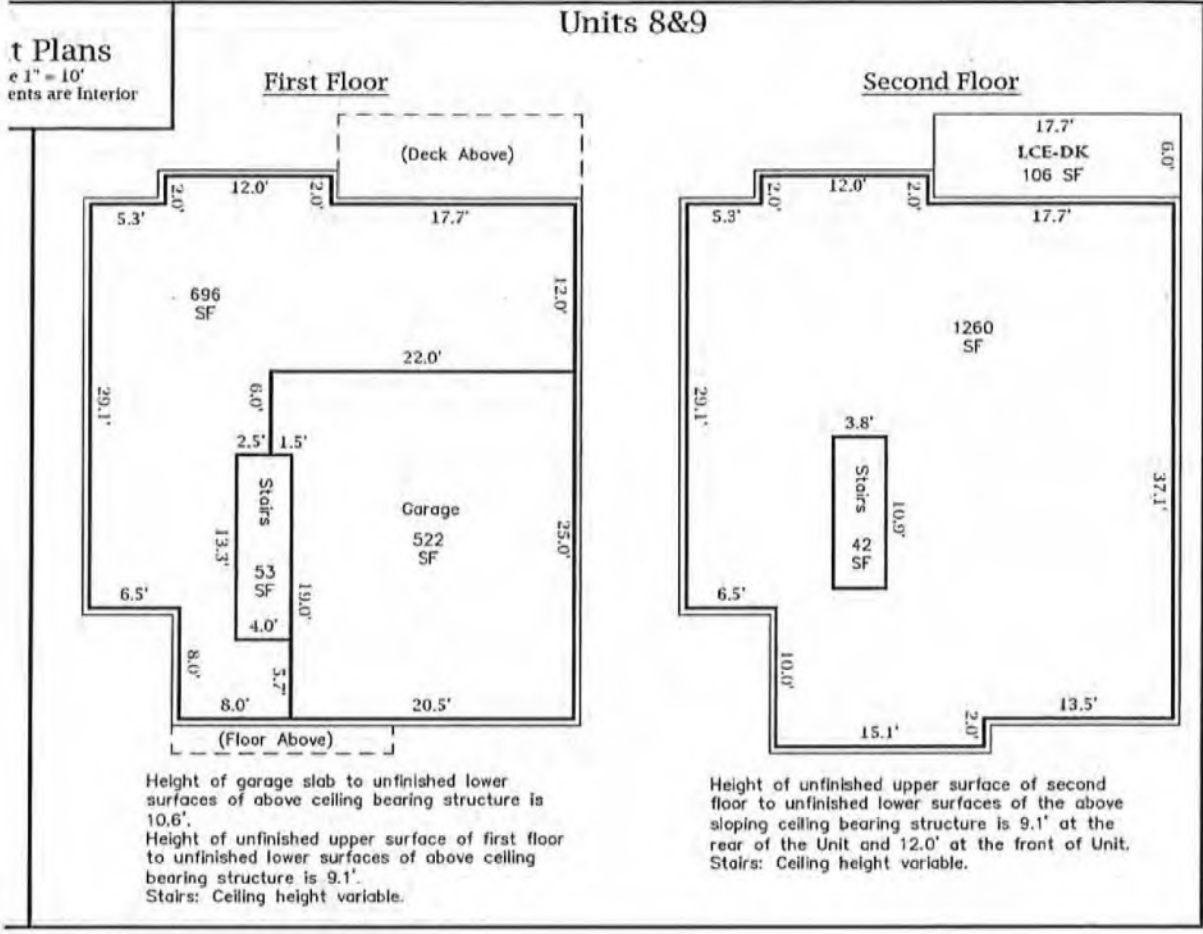
Second Floor



Height of unfinished upper surface of second floor to unfinished lower surfaces of the above sloping ceiling bearing structure is 9.1' at the rear of the Unit and 12.0' at the front of Unit.
Stairs: Ceiling height variable.



Lot 2C



NOTES

1. All distances, dimensions, and elevations are given in feet and decimal portions of feet. Distances shown are reduced to horizontal ground distances in US Survey feet
2. This project is located on Lot 3, US Survey No. 3042, according to the official plat thereof.
3. The condominium depicted hereon is subject to the provisions of the "Common Interest Ownership Act", Alaska statute 34.08.
4. Unit boundaries shown are actual unit boundaries per the definition of unit in article IV of the Declaration.
5. Each Unit is designated by a number indicating the designation of the Unit within the Project (i.e. Unit 1, Unit 2, etc.).
6. Each Unit has a Limited Common Element Deck (i.e., LCE-D1), Limited Common Element Driveway (i.e., LCE-DW1) and Limited Common Element Entryway Porch (i.e., LCE-EP).
7. Interior dimensions shown are to the unit boundaries.
8. Areas outside of unit boundaries and limited common elements, as specified in the declaration, are common elements.
9. Basis of Bearing: all bearings shown are Alaska State Plane Zone 4 grid bearings orientated to Grid North. All bearings are based on Global Navigation Satellite System (GNSS) technology in the NAD 83 (2011) (Epoch 2010.0000) datum, using Trimble R10 receivers, differentially corrected and processed with Trimble Business Center version 5.20 software.
10. Basis of Elevation: All elevations and the topographic surface shown are based on the Municipality of Anchorage Vertical Control Network, 1972 Adjustment and are tied to the Temporary Benchmark Point 605 from State of Alaska Department of Transportation & Public Facilities Survey Control Diagram Record of Survey (Plat No. 2015-36) which is tied to BM "GW-24".
11. The error of closure of this survey does not exceed 1:5000, and/or corner positions have a Relative Positional Accuracy at the 95 percent confidence level of 0.07 plus 50 parts per million, or better.



SURVEYOR'S CERTIFICATE

Section 34.08.170 of the Uniform Common Interest Ownership Act requires that a certification be made which states that the Plat and Plan contains the information as set forth in Section 34.08.170. I do hereby certify that this Condominium Plat is a true and correct layout of buildings accurately surveyed to depict and as-built survey, and that the information as required by Alaska Statute 34.08.170 is provided for on this Plat and Plans filed herewith.

7

Jeremy A. Hurst LS-11796 _____ Date



CERTIFICATE OF COMPLETION

Section 34.08.170 of the Uniform Common Interest Ownership Act provides that a Declaration for a Condominium may not be recorded and a Plat or Plan that is part of the Declaration for a condominium may not be filed unless a certificate of completion is recorded with the Declaration as evidence that the structural components and mechanical systems of each building containing or comprising a Unit of the Condominium are completed substantially in accordance with the Plans.

I do hereby certify that the structural components and mechanical systems are completed substantially in accordance with the Plans. No certification is given as to the condition of, or making any warranty with respect to, the structural components or mechanical systems contained in the building.

Jeremy A. Hurst LS-11796 Date:

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this _____ day of _____, 202__, before me, the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Jeremy Hurst, known to me to be the person who signed the foregoing instrument.

WITNESS my hand and official seal on the day and year in this certificate first above written.

Notary Public in and for Alaska
My commission expires:



My commission expires:

WITNES:

BENEFICIARY

Northrim Bank

By: _____

Its: _____

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this _____ day of _____, 202__, before me, the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared _____, known to me to be the _____ of Northrim Bank and known to me to be the person who signed the foregoing instrument, on behalf of said entity and they acknowledged to me that they signed and sealed the same as a free act and deed for the uses and purposes therein expressed pursuant to its bylaws or a resolution of its Board of Directors

WITNESS my hand and official seal on the day and year in this certificate first above written.

Notary Public in and for Alaska
My commission expires: _____



CERTIFICATE OF OWNERSHIP

MGJ Building Group, LLC:

The undersigned does hereby certify that it is the owner of Lot 3, U.S. Survey No. 3042, according to the official Bureau of Land Management Survey thereof, records of the Anchorage Recording District, Third Judicial District, State of Alaska ("Property").

The undersigned as Declarant under that certain Declaration for Powder Run, recorded of even date herewith, records of the Anchorage Recording District, Third Judicial District, State of Alaska ("Declaration") and pursuant to Section 34.08.090 and Section 34.08.170 of the Alaska Uniform common interest Ownership Act, does hereby file this Plat and Plans to reflect the creation of Units and common elements as shown herein and does hereby submit the Property to the Act.

MGJ Building Group, LLC

By: Moises Gutierrez, Jr.
Its: Member

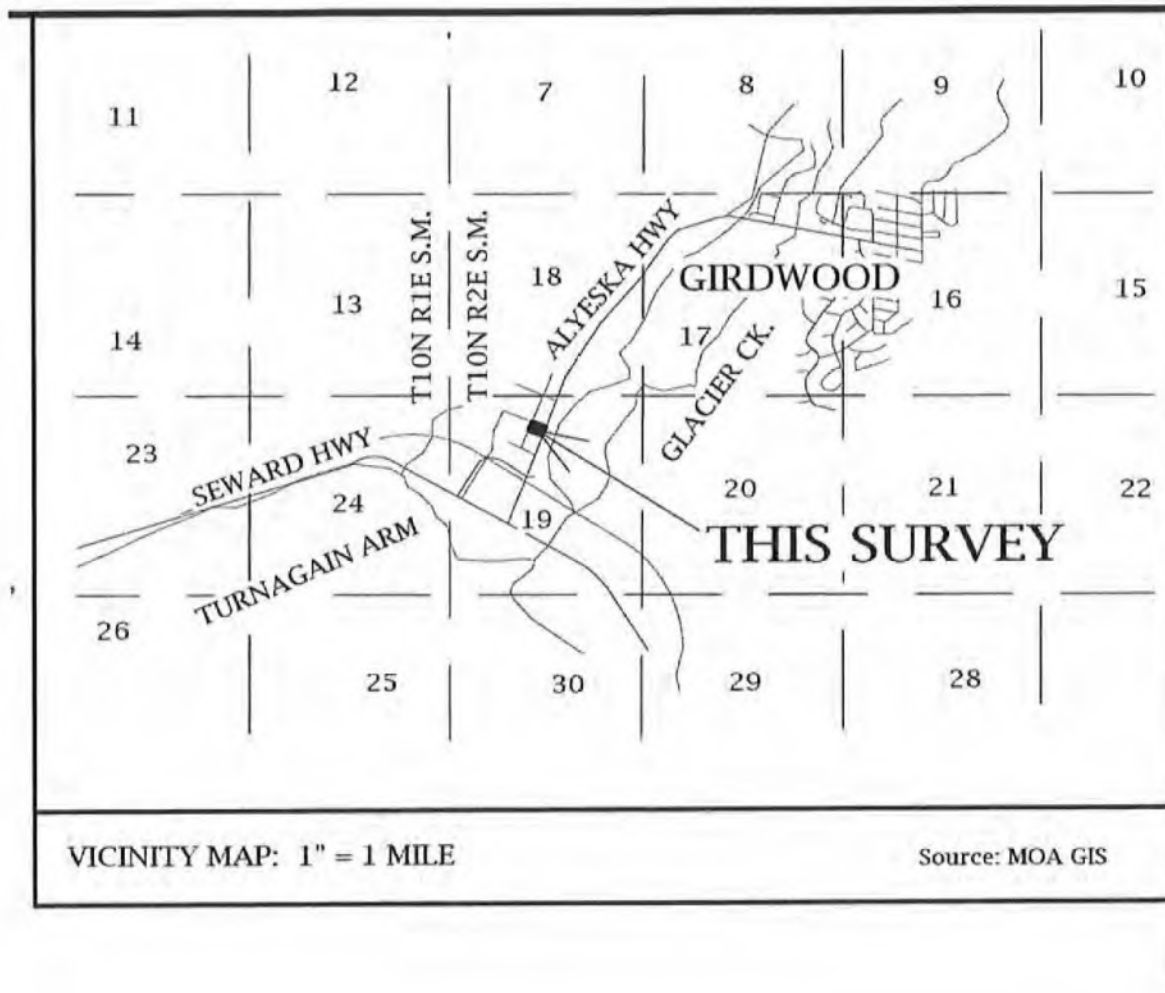
STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this _____ day of _____, 202____, before me, the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Moises Gutierrez, Jr. to me known and known to me to be the Member of MGJ Building Group, LLC, and known to me to be the person who signed the foregoing instrument, on behalf of said limited liability company, and he acknowledged to me that he signed and sealed the same as a free act and deed of the said corporation for the uses and purposes therein expressed pursuant to its bylaws or a resolution of its Executive Board.

WITNESS my hand and official seal on the day and year in this certificate first above written.

Notary Public in and for Alaska
My commission expires: _____





LEGEND

○ Property Corner

⊙ Well

CE-Access Drive	Common Element Access Drive
LCE-DW	Limited Common Element Driveway
LCE-DK	Limited Common Element Deck
LCE-EP	Limited Common Element Entry/Porch
CE-RL	Common Element Residential Landscaping
CE	Common Element

Easement/Setback

Unit Boundary

Lot 3 Boundary

Adjoiner Property Line



A Condominium Plat and Plans of Powder Run Creating Units 1-9

Located on:
Lot 3, U.S. Survey No. 3042, according to the official Bureau of
Land Management Survey thereof, records of the Anchorage
Recording District, Third Judicial District, State of Alaska.

Jeremy@49thStarSurveying.com



**49th STAR
SURVEYING**
(907) 891-6111
PO Box 738
Girdwood, AK 99587

DRAWN BY: <u>JAH</u> DATE: <u>12/28/22</u>	Field Book: 21-04 Page(s):	
SCALE: 1" = 20'		

