

D E C L A R A T I O N
for
EDGEWATER
(A Planned Community)

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DECLARATION

FOR

EDGEWATER

(A Planned Community)

EDGEWATER, INC., AN ALASKA CORPORATION, with an office in Anchorage, Alaska, hereby submits the following described real property in Anchorage, Alaska to the provisions of the Common Interest Ownership Act, Chapter 34.08 of the Alaska Statutes, for the purpose of creating Edgewater, a planned community.

Lots One (1) through Seventeen (17), Block One (1); Lots One (1) through Fourteen (14), Block Two (2); Lots One (1) through Eleven (11), Block Three (3); Lots One (1) through Sixteen (Sixteen (16), Block Four (4); Tracts B-1, B-2, C-1, D-1, E-1, F-2, G-2, H-2

A resubdivision of Edgewater P.U.D. Subdivision (P86-237) Lots 18-34, Block 1; Lots 10-23, Block 2; Lots 10-24, Block 3; Tracts F-1, G-1, H-1; and Edgewater P.U.D. Subdivision (P84-510) Lots 13A, 13B, 13C, 13D, 14A, 14B, 14C, 14D, 14E, 14F, 15A, 15B, 16A, 16B, 16C, 16D, 17A, 17B, 17C, 17D, Block 1, Tracts B, C, D, E

Located within the E $\frac{1}{2}$, SE $\frac{1}{2}$, Sec. 23, T12N, R4W, Seward Meridian, Anchorage Recording District, Third Judicial District, State of Alaska, containing 15.793 acres.

Declarant submits the above-described property to the provisions of the Uniform Common Interest Ownership Act for the purpose of making improvements as shown on the development plan attached hereto as Exhibit "C".

ARTICLE IDefinitions

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

Section 1.1 - Act. The Uniform Common Interest Ownership Act, A.S. 34.08, as it may be amended from time to time.

Section 1.2 - Allocated Interests. The Common Expense liability, and Votes in the Association, allocated to Units in the Common Interest Community. The Allocated Interests are described in Article VII of this Declaration and are shown on Exhibit "B".

Section 1.3 - Association. EDGEWATER HOMEOWNERS ASSOCIATION, a non-profit corporation organized under Chapter 10.20 of the statutes of the State of Alaska. It is the Association of Unit Owners pursuant to Section 34.08.310 and Section 34.08.990(3) of the Act.

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

Section 1.5 - Common Elements. Tracts B-1, B-2, C-1, D-1, E-1, F-2, G-1 and H-2; EDGEWATER SUBDIVISION, according to Plat No. 92-32, records of the Anchorage Recording District, Third Judicial District, State of Alaska, and such other tracts as shall be so designated pursuant to Declarant's reserved rights.

Section 1.6 - Common Expenses. The expenses or financial liabilities for the operation of the Common Interest Community. These include:

- (i) Expenses of administration, maintenance, repair or replacement of the Common Elements;
- (ii) Expenses declared to be Common Expenses by the Documents or by the Act;
- (iii) Expenses agreed upon as Common Expenses by the Association; and
- (iv) 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 or for which the Association has maintenance or repair responsibilities.

Section 1.7 - Common Interest Community. The real property subject to the Declaration for EDGEWATER, a Planned Community.

Section 1.8 - Declarant. EDGEWATER, INC., an Alaska corporation, or its successor, as defined in A.S. 34.08.990(12).

Section 1.9 - Declaration. This document, including any amendments.

Section 1.10 - Development Rights. The rights reserved by the Declarant under Article XI of the Declaration to create Units and Common Elements within the Common Interest Community or to withdraw real estate from the Common Interest Community.

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

Section 1.12 - Documents. The Declaration, Plat and Plans which have been recorded and filed, the Bylaws, and the Rules, if any, as they may be amended from time to time. Any exhibit, 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 which has notified the Association in writing of its name and address and that it has insured or guaranteed a first Security Interest in a Unit. Such notice shall be deemed to include a request that the Eligible Insurer be given the notices and other rights described in Article XV.

Section 1.14 - Eligible Mortgagee. The holder of a first Security Interest in a Unit which has notified the Association in writing of its name and address and that it holds a first Security Interest in a Unit. Such notice shall be deemed to include a request that the Eligible Mortgagee be given the notices and other rights described in Article XV.

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

Section 1.16 - Improvements. Any construction, structure, fixture or facility existing or to be constructed on the land included in the Common Interest Community including, but not limited to, buildings, fences, trees and shrubbery planted by the Association, paving, utility wires, pipes, and light poles.

Section 1.17 - Limited Common Areas. The portion of the lots designated on the Plat for Edgewater Subdivision and more particularly described on Exhibit "F" hereto, intended for the exclusive use of the Owner of each such lot.

Section 1.18 - Majority or Majority of Unit Owners. The owners of more than 50% of the votes in the Association.

Section 1.19 - Manager. A person, firm or corporation employed or engaged to perform management services for the Common Interest Community and the Association.

Section 1.20 - 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 21.1 of this Declaration.

Section 1.21 - 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 21.2 of this Declaration.

Section 1.22 - Person. An individual, corporation, business trust, estate, trust, partnership, association, joint venture, government, government subdivision or agency, or other legal or commercial entity.

Section 1.23 - Planned Community. A Common Interest Community that is not a condominium or a cooperative.

Section 1.24 - Plans. The development plan recorded with this Declaration as Exhibit "C" as it may be amended.

Section 1.25 - Plat. Plat No. 92-32, filed May 1, 1992, in the Records of the Anchorage Recording District, Third Judicial District, State of Alaska, that created EDGEWATER SUBDIVISION, including any amendments or replats.

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

Section 1.27 - Public Offering Statement. The current document prepared pursuant to A.S. 34.08.520, .530, .540, and .560, as they may be applicable to this particular Common Interest Community, and as they may be amended from time to time.

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

Section 1.29 - Security Interest. An interest in real estate or personal property, created by contract or conveyance, which secures payment or performance of an obligation. The term includes a lien created by 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 an Association, and any other consensual lien or title retention contract intended as security for an obligation.

Section 1.30 - Special Declarant Rights. The right (as defined in A.S. 34.08.990(30) of the Act) reserved for the benefit of a Declarant to (A) complete improvements indicated on plats and plans filed with the Declaration; (B) exercise a Development Right; (C) maintain sales offices, management offices, models and signs advertising the Common Interest Community; (D) use easements through the Common Elements for the purpose of making improvements within the Common Interest Community or within real estate that may be added to the Common Interest Community; (E) appoint or remove any officer of the Association or any Executive Board member during any period of Declarant control; or (F) merge or consolidate the Common Interest Community with another Common Interest Community of the same form of ownership. Special Declarant Rights are described in Article XI.

Section 1.31 - 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 1.32 - Unit. A physical portion of the Common Interest Community (sometimes referred to as a lot) designated for separate ownership or occupancy, the boundaries of which are shown on Exhibit "C" and on Plat 92-32, as they may be amended.

Section 1.33 - 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 owner of any Unit created by this 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 EDGEWATER, a Planned Community.

Section 2.2 - Association. The name of the Association is EDGEWATER HOMEOWNERS ASSOCIATION, a non-profit corporation organized under the laws of the State of Alaska.

ARTICLE IIIDescription 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 as:

Lots One (1) through Seventeen (17), Block One (1); Lots One (1) through Fourteen (14), Block Two (2); Lots One (1) through Eleven (11), Block Three (3); Lots One (1) through Sixteen (Sixteen (16), Block Four (4); Tracts B-1, B-2, C-1, D-1, E-1, F-2, G-2, H-2, according to Plat No. 92-32

A resubdivision of Edgewater P.U.D. Subdivision (P86-237) Lots 18-34, Block 1; Lots 10-23, Block 2; Lots 10-24, Block 3; Tracts F-1, G-1, H-1; and Edgewater P.U.D. Subdivision (P84-510) Lots 13A, 13B, 13C, 13D, 14A, 14B, 14C, 14D, 14E, 14F, 15A, 15B, 16A, 16B, 16C, 16D, 17A, 17B, 17C, 17D, Block 1, Tracts B, C, D, E

Located within the E $\frac{1}{2}$, SE $\frac{1}{4}$, Sec. 23, T12N, R4W, Seward Meridian, Anchorage Recording District, Third Judicial District, State of Alaska, containing 15.793 acres.

ARTICLE IVMaximum Number of Units; Boundaries

Section 4.1 - Maximum Number of Units. The construction under this declaration will create 58 Units in the Common Interest Community. The right to develop this total number of Units is reserved by the Declarant. The Declarant does not guarantee that all or any of these Units will developed.

Section 4.2 - Boundaries. Each Unit created under this Declaration is a lot created by Plat No. 92-32, as it may be amended. Each Unit is identified by a lot number and a block number. Unit boundaries are the boundaries of the lot. Single-family detached homes will be built on the lots.

ARTICLE VCommon and Limited Common Elements

Section 5.1 - Common Areas. Tracts B-1, B-2, C-1, D-1, E-1, F-2, G-1 and H-2, EDGEWATER SUBDIVISION, according to Plat No. 92-32, are proposed to be Common Elements for Edgewater. As construction of the various phases of Edgewater is completed, Declarant will convey to the Association, for the benefit of all Unit Owners, the Common Element or Elements corresponding to that phase as described in the phasing schedule contained below in Article XI.

Section 5.2 - Limited Common Areas. Limited Common Areas have been created on Lots 2-5 and 10-17, Block 1; Lots 1-5, 7-9 and 15-16, Block 3; and Lots 1-11, Block 4, EDGEWATER SUBDIVISION, as more fully described in Exhibit "F" hereto. The Limited Common Areas are for the exclusive use of the Unit Owner of each such lot.

ARTICLE VIMaintenance, Repair and Replacement

Section 6.1 - Common Elements. The Association shall maintain, repair and replace all of the Common Elements. Maintenance shall include snow removal from private streets, such snow to be dumped at a site approved by the Municipality.

Section 6.2 - Units. Each Unit Owner shall maintain, repair and replace, at his or her own expense, all portions of his or her Unit.

Section 6.3 - Access. Any person authorized by the Executive Board shall have the right of access to all portions of the Property for the purpose of correcting any condition threatening a Unit or the Common Elements, and for the purpose of performing installations, alterations or repairs, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the affected Unit Owner. In case of an emergency, no such request or notice is required and such right of entry shall be immediate, whether or not the Unit Owner is present at the time.

Section 6.4 - Repairs Necessitated by Unit Owner's Action or Inaction. Each Unit Owner will reimburse the Association for any costs incurred by the Association and any damages to any other Unit(s) or to the Common Elements to the extent that such damages or costs were caused intentionally, negligently or by the Unit Owner's failure to properly maintain, repair or make replacements

to his or her Unit. Such expense will be assessed following Notice and Hearing.

Section 6.5 - Repairs Necessitated by Association Action or Inaction. The Association will be responsible for damage to Units caused intentionally, negligently or by its failure to maintain, repair or make replacements to the Common Elements.

Section 6.6 - Quality of Work. The maintenance, repair or replacement of exterior and structural components of buildings shall be of such kind or quality as the Executive Board shall deem reasonably necessary to maintain all Units in good order and repair. Any such work shall be performed in a good and workmanlike manner employing materials of equal or better quality than the originals.

Section 6.7 - Necessity. The necessity for any work shall be determined by the Executive Board whose decision in such matters shall be final, except that the determination to effectuate any maintenance or repair item which will cost a Unit Owner in excess of a maximum cost set by the Executive Board from time to time shall be subject to the right of the affected Unit Owner to Notice and Hearing by the Executive Board prior to the commencement of any work.

Section 6.8 - Examination. Repair and maintenance records of the Association, shall be available for examination and copying by any Unit Owner, his duly authorized agents or attorneys, at the expense of the Unit Owner, during normal business hours and after reasonable notice. Such records shall include, but not be limited to:

- (a) Items of work performed.
- (b) Dates of performance.
- (c) Names of parties employed to perform the work.
- (d) Notices sent to Unit Owners with respect to such work.
- (e) Summarized minutes of all proceedings before the Executive Board with respect to such work.
- (f) Any certificate of completion issued by the Executive Board or other agency.
- (g) All amounts assessed against the Unit to cover the costs of such work.
- (h) Regulations and standards for architectural control.

(i) Any other records, warranties, correspondence or other materials involving maintenance or repair of each Unit.

ARTICLE VII

Allocated Interests

Section 7.1 - Allocation of Interests. The table showing Unit numbers and their allocated interests is included in Exhibit "B". The allocated interest appertaining to each Unit for all purposes, including voting and the determination of liability for Common Expenses, shall be in accordance with Exhibit "B". These interests have been allocated in accordance with the formulas set out in this Article. These formulas are to be used in reallocating interests if Units are added to or removed from the Common Interest Community. When Units are added to or removed from the Common Interest Community, a revised Exhibit "B", the Table of Allocated Interests, will be recorded with the Declaration Amendment.

Section 7.2 - Formulas for the Allocation of Interests.

(a) Liability for the Common Expenses: The percentage of liability for Common Expenses allocated to each Unit is derived by dividing the total number of Units in the Common Interest Community into One Hundred percent (100%). Nothing contained in this Subsection shall prohibit certain Common Expenses from being apportioned to particular Units under Article XVI of this Declaration.

(b) Votes: Each Unit in the Common Interest Community shall have one (1) equal Vote. Any specified percentage of Unit Owners, unless otherwise stated in the Documents, means the specified percentage of all the votes as allocated in Exhibit "B".

Section 7.3 - Assignment of Allocated Interests Upon Creation of Units Pursuant to Exercise of Development Rights. The effective date for assigning Allocated Interests to Units created pursuant to Section 12.6 of this Declaration shall be the date on which the amendment creating the Units is recorded in the records of the Anchorage Recording District.

ARTICLE VIII

Restrictions on Use, Alienation and Occupancy

Section 8.1 - Use and Occupancy Restrictions. Subject to the Special Declarant Rights reserved under Article XI the following use restrictions apply to all Units and to the Common Elements:

(a) 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. No sign indicating commercial or professional uses may be displayed outside a Unit.

(b) The use of Units and Common Elements is also subject to the Additional Use Restrictions contained in Exhibit "D" to the Declaration, the Bylaws, and the Rules of the Association.

Section 8.2 - Restrictions on Alienation.

(a) A Unit may not be conveyed pursuant to a time sharing plan as defined under AS 34.08.550.

(b) No Owner shall be permitted to rent or lease a Unit for transient or hotel purposes. No Owner may lease or rent less than the entire Unit. Any lease or rental agreement shall provide that the terms thereof shall be subject in all respects to the provisions of the Declaration, the Bylaws, and the Rules, and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease or rental agreement. All leases and rental agreements shall be in writing and a copy given to the Executive Board.

ARTICLE IX

Easements and Licenses

Section 9.1 - Recorded Easements and Licenses. All recorded easements or licenses to which the Common Interest Community is presently subject are recited in Exhibit "A" to this Declaration. In addition, the Common Interest Community may be subject to other easements or licenses granted by the Declarant pursuant to its powers under Article XI of this Declaration.

Section 9.2 - Owner's Easement of Enjoyment in Common Elements. Every Unit Owner, his heirs, successors, executors, administrators and assigns forever, in common with each other, shall have a right and easement of enjoyment in and to the Common Elements, and such easement shall be appurtenant to, and shall run with, the title to every Unit. Such easement shall include, among other consistent rights, the non-exclusive right to pass and repass across the Common Elements; to use the Common Elements pursuant to the provisions of this Declaration, and the right to prevent the restriction or alienation of the Common Elements.

Section 9.3 - Limitations on Owner's Easement. The rights and easements of enjoyment created hereby shall be subject to the following, which rights are deemed to be necessary and desirable to

facilitate the orderly development and administration of the Common Interest Community:

(a) The right of the Association, in accordance with its Certificate of Incorporation and the Bylaws, following written approval by the holders of security interests pursuant to Article XV, to borrow money for the purpose of improving, maintaining and operating the Common Elements and in aid thereof to mortgage, hypothecate, pledge, assign or grant a security interest in the assets of the Association, including, without limitation, its liens and receivables for Assessments.

(b) The right of the Association to take such steps as are reasonably necessary to protect the rights of the Unit Owners in the Common Elements against foreclosure.

(c) The right of the Association, as provided and limited in its Certificate of Incorporation and Bylaws, to suspend the enjoyment rights (except rights of egress and ingress) of any Unit Owner for any period during which any Assessment remains unpaid, and for a period not exceeding thirty (30) days for any infraction of the Declaration, Bylaws or Rules, and to levy liquidated minimum damages in the amount of one-half (1/2) of the monthly assessment for each offense for such infractions as well as specific damages as may occur, all of which shall become Assessments.

(d) The right of the Association to charge reasonable fees for the use of the Common Elements; where such use shall involve additional expense to the Association and shall be different or unique from the use offered to other Unit Owners as a whole, or shall involve unique services or instructions, which fees shall be Assessments.

(e) The right of the Association or Declarant to dedicate or transfer the rights to use, control, maintain or enjoy, all or any part of the Common Elements to a public agency, authority or utility, provided that no such dedication or transfer shall be effective unless there has been a vote of approval by the Unit Owners entitled to cast three-fourths (3/4) of the Votes and approval of the holders of Security Interests pursuant to Article XV. A certificate of compliance with these provisions shall be attested to by the President and certified by the Secretary and recorded in the land records. The agency obtaining such rights shall assume, to the extent lawful, the obligations and duties of the Association related to such part of the Common Elements so dedicated or construed. Written notice of the proposed action shall be sent to every Unit Owner and Eligible Mortgagee at least ninety (90) days in advance of any action taken.

(f) The right of the Association or the Declarant to impose and grant easements over, under and across the Common Elements, for the purposes of fulfilling the general plan of development,

providing ingress and egress, power, electricity, telephone, sewer, water, and other utility and lighting services, irrigation, drainage, television transmission facilities, security services and facilities, and other structures, services and devices in connection therewith, and the like, as the Association or the Declarant deems necessary and proper.

(g) The right of the Association to grant licenses and concessions for the use of the Common Elements, including licenses to non-Unit Owners.

(h) The right and duty of the Association to maintain, preserve and administer the Common Elements for the mutual benefit, health and safety of the Common Interest Community and each of its Owners, including properly maintaining all private drives on the Common Elements, trails, walkways, sight lines, drainage facilities, swales and ways, drainage detention basins, dams or impoundments, and landscaped areas, to such standards as set by the Association for the mutual benefit and safety of the Owners and the neighboring community.

(i) The duty of the Association to maintain the storm drainage systems on the property for the benefit of the Common Interest Community, and such surrounding areas as may be affected by such storm drainage in accordance with the site grading and drainage plan approved by the Municipal authorities and filed in the Municipal records.

Section 9.4 - Walks, Passways, Pipes, Ducts, Cables, Wires, Conduits, Public Utility Lines and Other Elements. Each Unit Owner has an easement in common with all other Unit Owners for use of all walks, passways, pipes, wires, ducts, cables, drainage ways, conduits, public utility lines, sanitary drainage system facilities and other service elements, if any, located in any of the Units or Common Elements at the time of issuance of the first Certificate of Occupancy or thereafter placed thereon by the Association and serving his or her Unit. Each Unit is subject to an easement in favor of other Units and the Common Elements for use of such walks, passways, drainage ways, pipes, ducts, cables, wires, conduits, public utility lines, sanitary sewerage facilities, and other elements, if any, serving other Units or Common Elements and located in each such Unit. In addition, each Unit shall be subject to, and shall have such easements of support and shelter from and over such other Unit and the Common Elements as may be necessary for the quiet enjoyment of such Unit and the maintenance of facilities. The Executive Board has the right to reasonable access to each Unit to inspect the same, to remove violations therefrom and to maintain, repair or replace the Common Elements and such facilities which the Association has the duty to maintain contained therein or elsewhere on the Units. Reasonable notice shall be given to any and all Unit Owners prior to entry for repairs and maintenance by the Executive Board, except for emergency situations

which would require the Executive Board to access a Unit or Units without such reasonable notice first having been given. The Executive Board shall have the power to adopt by Resolution further rules and regulations defining "reasonable notice" and "emergency conditions". No such walks, passways, pipes, wires, ducts, cables, drainage ways, conduits, public utility lines and other service elements, if any, may interfere with residences or garages located on Units. Any property disturbed by maintenance or repair will be reasonably restored.

ARTICLE X

Additions, Alterations and Improvements

Section 10.1 - Additions, Alterations and Improvements by Unit Owners.

(a) No Unit Owner shall construct a structure, nor shall any Unit Owner make any structural addition, structural alteration, or structural improvement in or to the Common Interest Community without the prior written consent thereto of the Executive Board in accordance with Subsection 10.1(b). A Unit Owner may not change the appearance of the Common Elements, or the exterior appearance of a Unit or any other portion of the Common Interest Community, without permission of the Association. Notwithstanding the provisions of this Article, the Declarant retains the authority, independent of, and without the concurrence of, the Executive Board to approve the location, design, color and materials for the first residence constructed on a lot as provided in Section 11.1(d). Standards for architectural control are specified in Exhibit "E" to the Declaration.

(b) A Unit Owner may submit a written request to the Executive Board for approval to do anything that he or she is forbidden to do under Subsection 10.1(a). The Executive Board shall answer any written request for such approval, after Notice and Hearing, within thirty (30) days after the request therefor. Failure to do so within such time shall not constitute a consent by the Executive Board to the proposed action. The approval of a written request may be withheld not only because of noncompliance with any of the specific conditions, covenants and restrictions contained in this Declaration, but also by reason of reasonable dissatisfaction of the Board with the location of the structure or the residence, the elevation, color scheme, finish, design, proportions, architecture, shape, height, style and appropriateness of the proposed structure or alteration, the material used therein, or because of its reasonable dissatisfaction with any or all other matters or things which in the reasonable judgment of the Board will render the proposed alteration or improvement inharmonious or out of keeping with the general plan of improvement of the Common Interest Community or with the improvements erected on other Units.

If, after such plans and specifications have been approved, the improvements are altered, erected or maintained upon the Unit otherwise than as approved by the Board, such alteration, erection and maintenance shall be deemed to have been undertaken without the approval of the Board having been obtained as required by the Declaration. The approval of the Board of any plans or specifications submitted for approval as herein specified for use on any residence shall not be deemed to be a waiver by the Board of its right to object to any of the features or elements embodied in such plans and specifications, if or when the same features or elements are embodied in any subsequent plans and specifications submitted for approval herein as provided for use on other Units. No member of the Board shall be liable to any person for his decisions or failure to act in making decisions as a member of said Board. Upon approval of the Board, it shall be conclusively presumed that the location and height of any improvement does not violate the provisions of this Declaration.

(c) After a Unit Owner has obtained the written consent by the Executive Board for any addition, alteration or improvement to his or her Unit, the Unit Owner shall obtain any necessary governmental permits required for such addition, alteration or improvement and the cost of such permit(s) shall be paid by the Unit Owner. There will be no liability created on the part of the Association or any of its members, except for the Unit Owner effecting such addition, alteration or improvement, to any contractor, sub-contractor or materialman on account of such addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

(d) All additions, alterations and improvements to the Units and Common Elements shall not, except pursuant to prior approval by the Executive Board, cause any increase in the premiums of any insurance policies carried by the Association or by the owners of any Units other than those affected by such change.

(e) Construction, clearing or site grading without the written consent of the Executive Board will result in the assessment of a \$100.00 (One Hundred Dollars) per day penalty against the Unit Owner violating the provisions of this Article.

(f) The provisions of this Section shall not apply to the Declarant in the exercise of any Special Declarant Right. Special Declarant Rights are described in Article XI.

Section 10.2 - Additions, Alterations and Improvements by Executive Board. Subject to the limitations of Sections 16.4 and 16.5 of this Declaration, the Executive Board may make any additions, alterations or improvements to the Common Elements which, in its judgment, it deems necessary.

ARTICLE XIDevelopment Rights and Special Declarant Rights

Section 11.1 - Reservation of Development Rights. The Declarant reserves the following Development Rights:

(a) The right, by amendment, to add Units and Common Elements in the areas of the Common Interest Community designated "Development Rights Reserved" on Exhibit "C".

(b) The right, by amendment, to withdraw land designated as "Development Rights Reserved" on Exhibit "C"; provided, however, that if said land is withdrawn it will be developed in accordance with the Municipal Land Use Code.

(c) The right to construct utility lines, pipes, wires, ducts, conduits and other facilities across the land not designated "Development Rights Reserved" on Exhibit "C" for the purpose of furnishing utility and other services to buildings and Improvements to be constructed on the land designated "Development Rights Reserved" on Exhibit "C". 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, Exhibit "A" will be amended to include reference to the recorded easement.

(d) The right of architectural control over construction of the first residence on a lot in the first phase of construction under this Declaration within five (5) years of the date this Declaration is recorded, and the right of architectural control over construction of the first residence on a lot in the subsequent phases of construction under this Declaration, if any, within five (5) years of the date the amendment for that phase is recorded.

Section 11.2 - Limitations on Development Rights. The Development Rights reserved in 11.1 are limited as follows:

(a) The Development Rights may be exercised at any time, but not more than ten (10) years after the date of recording of this original Declaration. If exercised more than seven (7) years after recording of the original Declaration, consent of 51% of the Eligible Mortgagees shall be required pursuant to Section 15.11.

(b) Not more than 58 total Units may be created pursuant to the Development Rights.

(c) All buildings constructed under the Development Rights will be architecturally compatible as to style with each other and will be of comparable quality of construction.

(d) All Units created pursuant to the Development Rights will be restricted to residential use in the same manner and to the same extent.

(e) No Development Rights may be exercised, voluntarily abandoned or terminated by the Declarant unless approved as provided by Section 15.11.

Section 11.3 - 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 Declaration, plat and plans, as they may be amended;

(b) To exercise the Development Rights reserved in the Declaration;

(c) To maintain sales offices, management offices, models and signs advertising the Common Interest Community;

(d) To use easements through the Common Elements for the purpose of making improvements within the Common Interest Community;

(e) To appoint or remove any officer of the Association, or any Executive Board member during any period of Declarant control, subject to the provisions of this Article; and

(f) Merge or consolidate the Common Interest Community with another Common Interest Community of the same form of ownership under a substantially similar Declaration.

In the exercise of its rights reserved under subsections (a) and (b) above, the Declarant may convey utility and drainage easements to the Municipality of Anchorage in its own name and on behalf of the Association. All purchasers are deemed to consent to such conveyance as a condition of their purchase. The Special Declarant Rights may be exercised where applicable anywhere within the Common Interest Community.

Section 11.4 - Models, Sales Offices and Management Offices. As long as 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. Declarant may have no more than five (5) model Units and one sales/management office within the Common Interest Community at any time, although the specific location may change from time to time as Units are developed and sold. A model Unit or sale/management office may be no larger than a typical Unit constructed for sale to the public.

A temporary structure may be used as a sales/management office during the time that residences are being constructed. Declarant may delegate this authority to dealers who purchase Units to construct residences.

Section 11.5 - Construction: Declarant's Easement. The Declarant reserves the right to perform warranty work, and repairs and construction work, and to store materials in secure areas, in Units and Common Elements, and the further right to control all such work and 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 discharging the Declarant's obligations or exercising Special Declarant Rights, whether arising under the Act or reserved in the Declaration.

Section 11.6 - Signs and Marketing. The Declarant reserves the right to post signs and displays in the Units or Common Elements to promote sales of Units, and to conduct general sales activities, in a manner that will not unreasonably disturb the rights of Unit Owners.

Section 11.7 - Declarant's Personal Property. The Declarant reserves the right to retain all personal property and equipment used in 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 11.8 - Declarant Control of the Association.

(a) Subject to subsection 11.8(b), there shall be a period of Declarant control of the Association, during which the Declarant, or persons designated by the Declarant, may appoint and remove the officers and members of the Executive Board. The period of Declarant control terminates no later than the earlier of:

435 (i) sixty (60) days after conveyance of seventy-five percent (75%) of the Units that may be created to Unit Owners other than the Declarant;

(ii) two (2) years after the Declarant has ceased to offer Units for sale in the ordinary course of business;

(iii) two (2) years after any right to add new Units was last exercised; or

(iv) five (5) years after the first Unit is conveyed to a Unit Owner other than the Declarant.

The Declarant may voluntarily surrender the right to appoint and remove officers and members of the Executive Board before termination of that period, but in that event, the Declarant may require, for the duration of the period of Declarant control, that specified actions of the Association or Executive Board, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

29 (b) ^{14.5} Not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Units that may be created to Unit Owners other than the Declarant, at least one (1) member and not less than twenty-five percent (25%) of the members of the Executive Board shall be elected by Unit Owners other than the Declarant. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Units that may be created to Unit Owners other than the Declarant, not less than 33-1/3 percent of the members of the Executive Board must be elected by Unit Owners other than the Declarant.

(c) Not later than the termination of any period of Declarant control, the Unit Owners shall elect an Executive Board of at least three (3) members, at least a majority of whom shall be Unit Owners. The Executive Board shall elect the officers. The Executive Board members and officers take office upon election.

(d) Notwithstanding any provision of this Declaration or the Bylaws to the contrary, following notice under AS 34.08.390, the Unit Owners, by a two-thirds (2/3) vote of all persons present and entitled to vote at a meeting of Unit Owners at which a quorum is present, may remove a member of the Executive Board with or without cause, other than a member appointed by the Declarant.

Section 11.9 - Limitations on Special Declarant Rights.
Unless sooner terminated by a recorded instrument executed by the Declarant, any Special Declarant Right (except for Development Rights) may be exercised by the Declarant so long as the Declarant is obligated under any warranty or obligation, owns any Units or any Security Interest on any Units, or for ten (10) years after recording the original Declaration, whichever is sooner. Earlier termination of certain rights may occur by statute.

Section 11.10 - Interference with Special Declarant Rights.
Neither the Association nor any Unit Owner may take any action or adopt any rules that will interfere with or diminish any Special Declarant Right without the prior written consent of the Declarant.

ARTICLE XII

Amendments to Declaration

Section 12.1 - General. Except as otherwise provided by law or elsewhere in this Declaration, this Declaration, including the Exhibits hereto, 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 12.2 - When Unanimous Consent Required. Except to the extent expressly permitted or required by provisions of the Act and this Declaration, an amendment may not create or increase Special Declarant Rights, increase the number of Units, change the number of Units, change the boundaries of a Unit, the Allocated Interests of a Unit, or the uses to which a Unit is restricted, in the absence of unanimous (100%) consent of the Unit Owners in the Association.

Section 12.3 - Execution of Amendments. An amendment to the Declaration required by AS 34.08.250 of the Act to be recorded by the Association, which has been adopted in accordance with this Declaration and AS 34.08.250 of the Act, 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.

Section 12.4 - Recordation of Amendments. Each amendment to the Declaration must be recorded in the recording district in which the Common Interest Community is located. The amendment is effective only upon recording.

Section 12.5 - Special Declarant Rights. Provisions in the Declaration creating Special Declarant Rights may not be amended without the consent of the Declarant.

Section 12.6 - Amendments to Create Units. To exercise any Development Right reserved under Section 12.1(a) or (b) of this Declaration, the Declarant shall prepare, execute and record an amendment to the Declaration. The Declarant shall also record new Exhibits "B" and "C" to reflect the changes made by the exercise of the Development Right. The amendment to the Declaration shall assign an identifying number to each new Unit created and reallocate the Allocated Interests among all Units. The amendment shall describe any Common Elements created thereby.

Section 12.7 - Consent of Holders of Security Interests. Amendments are subject to the consent requirements of Article XV.

Section 12.8 - Limitation of Challenges. An action to challenge the validity of an amendment adopted by the Association pursuant to this Article may not be brought more than one (1) year after the amendment is recorded.

ARTICLE XIII

Amendments to Bylaws

The Bylaws may be amended only by vote of two-thirds (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 XIV

Termination

Termination of the Common Interest Community may be accomplished only in accordance with Section 34.08.260 of the Act.

ARTICLE XV

Mortgagee Protection

Section 15.1 - 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 15.2 - Percentage of Eligible Mortgagees. Wherever in this 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 15.3 - Notice of Actions. The Association shall give prompt written notice to each Eligible Mortgagee and Eligible Insurer of:

(a) Any condemnation loss or any casualty loss which affects the Common Elements, if such loss exceeds \$10,000.00, or any damage to an improvement or a Unit on which there is a first Security Interest held, insured, or guaranteed by such Eligible Mortgagee or Eligible Insurer, as applicable, if such damage exceeds \$10,000.00;

(a) 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. No sign indicating commercial or professional uses may be displayed outside a Unit.

(b) The use of Units and Common Elements is also subject to the Additional Use Restrictions contained in Exhibit "D" to the Declaration, the Bylaws, and the Rules of the Association.

Section 8.2 - Restrictions on Alienation.

(a) A Unit may not be conveyed pursuant to a time sharing plan as defined under AS 34.08.550.

(b) No Owner shall be permitted to rent or lease a Unit for transient or hotel purposes. No Owner may lease or rent less than the entire Unit. Any lease or rental agreement shall provide that the terms thereof shall be subject in all respects to the provisions of the Declaration, the Bylaws, and the Rules, and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease or rental agreement. All leases and rental agreements shall be in writing and a copy given to the Executive Board.

ARTICLE IX

Easements and Licenses

Section 9.1 - Recorded Easements and Licenses. All recorded easements or licenses to which the Common Interest Community is presently subject are recited in Exhibit "A" to this Declaration. In addition, the Common Interest Community may be subject to other easements or licenses granted by the Declarant pursuant to its powers under Article XI of this Declaration.

Section 9.2 - Owner's Easement of Enjoyment in Common Elements. Every Unit Owner, his heirs, successors, executors, administrators and assigns forever, in common with each other, shall have a right and easement of enjoyment in and to the Common Elements, and such easement shall be appurtenant to, and shall run with, the title to every Unit. Such easement shall include, among other consistent rights, the non-exclusive right to pass and repass across the Common Elements; to use the Common Elements pursuant to the provisions of this Declaration, and the right to prevent the restriction or alienation of the Common Elements.

Section 9.3 - Limitations on Owner's Easement. The rights and easements of enjoyment created hereby shall be subject to the following, which rights are deemed to be necessary and desirable to

facilitate the orderly development and administration of the Common Interest Community:

(a) The right of the Association, in accordance with its Certificate of Incorporation and the Bylaws, following written approval by the holders of security interests pursuant to Article XV, to borrow money for the purpose of improving, maintaining and operating the Common Elements and in aid thereof to mortgage, hypothecate, pledge, assign or grant a security interest in the assets of the Association, including, without limitation, its liens and receivables for Assessments.

(b) The right of the Association to take such steps as are reasonably necessary to protect the rights of the Unit Owners in the Common Elements against foreclosure.

(c) The right of the Association, as provided and limited in its Certificate of Incorporation and Bylaws, to suspend the enjoyment rights (except rights of egress and ingress) of any Unit Owner for any period during which any Assessment remains unpaid, and for a period not exceeding thirty (30) days for any infraction of the Declaration, Bylaws or Rules, and to levy liquidated minimum damages in the amount of one-half (1/2) of the monthly assessment for each offense for such infractions as well as specific damages as may occur, all of which shall become Assessments.

(d) The right of the Association to charge reasonable fees for the use of the Common Elements; where such use shall involve additional expense to the Association and shall be different or unique from the use offered to other Unit Owners as a whole, or shall involve unique services or instructions, which fees shall be Assessments.

(e) The right of the Association or Declarant to dedicate or transfer the rights to use, control, maintain or enjoy, all or any part of the Common Elements to a public agency, authority or utility, provided that no such dedication or transfer shall be effective unless there has been a vote of approval by the Unit Owners entitled to cast three-fourths (3/4) of the Votes and approval of the holders of Security Interests pursuant to Article XV. A certificate of compliance with these provisions shall be attested to by the President and certified by the Secretary and recorded in the land records. The agency obtaining such rights shall assume, to the extent lawful, the obligations and duties of the Association related to such part of the Common Elements so dedicated or construed. Written notice of the proposed action shall be sent to every Unit Owner and Eligible Mortgagee at least ninety (90) days in advance of any action taken.

(f) The right of the Association or the Declarant to impose and grant easements over, under and across the Common Elements, for the purposes of fulfilling the general plan of development,

providing ingress and egress, power, electricity, telephone, sewer, water, and other utility and lighting services, irrigation, drainage, television transmission facilities, security services and facilities, and other structures, services and devices in connection therewith, and the like, as the Association or the Declarant deems necessary and proper.

(g) The right of the Association to grant licenses and concessions for the use of the Common Elements, including licenses to non-Unit Owners.

(h) The right and duty of the Association to maintain, preserve and administer the Common Elements for the mutual benefit, health and safety of the Common Interest Community and each of its Owners, including properly maintaining all private drives on the Common Elements, trails, walkways, sight lines, drainage facilities, swales and ways, drainage detention basins, dams or impoundments, and landscaped areas, to such standards as set by the Association for the mutual benefit and safety of the Owners and the neighboring community.

(i) The duty of the Association to maintain the storm drainage systems on the property for the benefit of the Common Interest Community, and such surrounding areas as may be affected by such storm drainage in accordance with the site grading and drainage plan approved by the Municipal authorities and filed in the Municipal records.

Section 9.4 - Walks, Passways, Pipes, Ducts, Cables, Wires, Conduits, Public Utility Lines and Other Elements. Each Unit Owner has an easement in common with all other Unit Owners for use of all walks, passways, pipes, wires, ducts, cables, drainage ways, conduits, public utility lines, sanitary drainage system facilities and other service elements, if any, located in any of the Units or Common Elements at the time of issuance of the first Certificate of Occupancy or thereafter placed thereon by the Association and serving his or her Unit. Each Unit is subject to an easement in favor of other Units and the Common Elements for use of such walks, passways, drainage ways, pipes, ducts, cables, wires, conduits, public utility lines, sanitary sewerage facilities, and other elements, if any, serving other Units or Common Elements and located in each such Unit. In addition, each Unit shall be subject to, and shall have such easements of support and shelter from and over such other Unit and the Common Elements as may be necessary for the quiet enjoyment of such Unit and the maintenance of facilities. The Executive Board has the right to reasonable access to each Unit to inspect the same, to remove violations therefrom and to maintain, repair or replace the Common Elements and such facilities which the Association has the duty to maintain contained therein or elsewhere on the Units. Reasonable notice shall be given to any and all Unit Owners prior to entry for repairs and maintenance by the Executive Board, except for emergency situations

which would require the Executive Board to access a Unit or Units without such reasonable notice first having been given. The Executive Board shall have the power to adopt by Resolution further rules and regulations defining "reasonable notice" and "emergency conditions". No such walks, passways, pipes, wires, ducts, cables, drainage ways, conduits, public utility lines and other service elements, if any, may interfere with residences or garages located on Units. Any property disturbed by maintenance or repair will be reasonably restored.

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(b) A Unit Owner may submit a written request to the Executive Board for approval to do anything that he or she is forbidden to do under Subsection 10.1(a). The Executive Board shall answer any written request for such approval, after Notice and Hearing, within thirty (30) days after the request therefor. Failure to do so within such time shall not constitute a consent by the Executive Board to the proposed action. The approval of a written request may be withheld not only because of noncompliance with any of the specific conditions, covenants and restrictions contained in this Declaration, but also by reason of reasonable dissatisfaction of the Board with the location of the structure or the residence, the elevation, color scheme, finish, design, proportions, architecture, shape, height, style and appropriateness of the proposed structure or alteration, the material used therein, or because of its reasonable dissatisfaction with any or all other matters or things which in the reasonable judgment of the Board will render the proposed alteration or improvement inharmonious or out of keeping with the general plan of improvement of the Common Interest Community or with the improvements erected on other Units.

If, after such plans and specifications have been approved, the improvements are altered, erected or maintained upon the Unit otherwise than as approved by the Board, such alteration, erection and maintenance shall be deemed to have been undertaken without the approval of the Board having been obtained as required by the Declaration. The approval of the Board of any plans or specifications submitted for approval as herein specified for use on any residence shall not be deemed to be a waiver by the Board of its right to object to any of the features or elements embodied in such plans and specifications, if or when the same features or elements are embodied in any subsequent plans and specifications submitted for approval herein as provided for use on other Units. No member of the Board shall be liable to any person for his decisions or failure to act in making decisions as a member of said Board. Upon approval of the Board, it shall be conclusively presumed that the location and height of any improvement does not violate the provisions of this Declaration.

(c) After a Unit Owner has obtained the written consent by the Executive Board for any addition, alteration or improvement to his or her Unit, the Unit Owner shall obtain any necessary governmental permits required for such addition, alteration or improvement and the cost of such permit(s) shall be paid by the Unit Owner. There will be no liability created on the part of the Association or any of its members, except for the Unit Owner effecting such addition, alteration or improvement, to any contractor, sub-contractor or materialman on account of such addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

(d) All additions, alterations and improvements to the Units and Common Elements shall not, except pursuant to prior approval by the Executive Board, cause any increase in the premiums of any insurance policies carried by the Association or by the owners of any Units other than those affected by such change.

(e) Construction, clearing or site grading without the written consent of the Executive Board will result in the assessment of a \$100.00 (One Hundred Dollars) per day penalty against the Unit Owner violating the provisions of this Article.

(f) The provisions of this Section shall not apply to the Declarant in the exercise of any Special Declarant Right. Special Declarant Rights are described in Article XI.

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(c) The right to construct utility lines, pipes, wires, ducts, conduits and other facilities across the land not designated "Development Rights Reserved" on Exhibit "C" for the purpose of furnishing utility and other services to buildings and Improvements to be constructed on the land designated "Development Rights Reserved" on Exhibit "C". 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, Exhibit "A" will be amended to include reference to the recorded easement.

(d) The right of architectural control over construction of the first residence on a lot in the first phase of construction under this Declaration within five (5) years of the date this Declaration is recorded, and the right of architectural control over construction of the first residence on a lot in the subsequent phases of construction under this Declaration, if any, within five (5) years of the date the amendment for that phase is recorded.

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(c) All buildings constructed under the Development Rights will be architecturally compatible as to style with each other and will be of comparable quality of construction.

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(a) To complete improvements indicated on the Declaration, plat and plans, as they may be amended;

(b) To exercise the Development Rights reserved in the Declaration;

(c) To maintain sales offices, management offices, models and signs advertising the Common Interest Community;

(d) To use easements through the Common Elements for the purpose of making improvements within the Common Interest Community;

(e) To appoint or remove any officer of the Association, or any Executive Board member during any period of Declarant control, subject to the provisions of this Article; and

(f) Merge or consolidate the Common Interest Community with another Common Interest Community of the same form of ownership under a substantially similar Declaration.

In the exercise of its rights reserved under subsections (a) and (b) above, the Declarant may convey utility and drainage easements to the Municipality of Anchorage in its own name and on behalf of the Association. All purchasers are deemed to consent to such conveyance as a condition of their purchase. The Special Declarant Rights may be exercised where applicable anywhere within the Common Interest Community.

Section 11.4 - Models, Sales Offices and Management Offices. As long as 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. Declarant may have no more than five (5) model Units and one sales/management office within the Common Interest Community at any time, although the specific location may change from time to time as Units are developed and sold. A model Unit or sale/management office may be no larger than a typical Unit constructed for sale to the public.

A temporary structure may be used as a sales/management office during the time that residences are being constructed. Declarant may delegate this authority to dealers who purchase Units to construct residences.

Section 11.5 - Construction: Declarant's Easement. The Declarant reserves the right to perform warranty work, and repairs and construction work, and to store materials in secure areas, in Units and Common Elements, and the further right to control all such work and 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 discharging the Declarant's obligations or exercising Special Declarant Rights, whether arising under the Act or reserved in the Declaration.

Section 11.6 - Signs and Marketing. The Declarant reserves the right to post signs and displays in the Units or Common Elements to promote sales of Units, and to conduct general sales activities, in a manner that will not unreasonably disturb the rights of Unit Owners.

Section 11.7 - Declarant's Personal Property. The Declarant reserves the right to retain all personal property and equipment used in 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 11.8 - Declarant Control of the Association.

(a) Subject to Subsection 11.8(b), there shall be a period of Declarant control of the Association, during which the Declarant, or persons designated by the Declarant, may appoint and remove the officers and members of the Executive Board. The period of Declarant control terminates no later than the earlier of:

(i) sixty (60) days after conveyance of seventy-five percent (75%) of the Units that may be created to Unit Owners other than the Declarant;

(ii) two (2) years after the Declarant has ceased to offer Units for sale in the ordinary course of business;

(iii) two (2) years after any right to add new Units was last exercised; or

(iv) five (5) years after the first Unit is conveyed to a Unit Owner other than the Declarant.

The Declarant may voluntarily surrender the right to appoint and remove officers and members of the Executive Board before termination of that period, but in that event, the Declarant may require, for the duration of the period of Declarant control, that specified actions of the Association or Executive Board, as described in a recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

(b) Not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Units that may be created to Unit Owners other than the Declarant, at least one (1) member and not less than twenty-five percent (25%) of the members of the Executive Board shall be elected by Unit Owners other than the Declarant. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Units that may be created to Unit Owners other than the Declarant, not less than 33-1/3 percent of the members of the Executive Board must be elected by Unit Owners other than the Declarant.

(c) Not later than the termination of any period of Declarant control, the Unit Owners shall elect an Executive Board of at least three (3) members, at least a majority of whom shall be Unit Owners. The Executive Board shall elect the officers. The Executive Board members and officers take office upon election.

(d) Notwithstanding any provision of this Declaration or the Bylaws to the contrary, following notice under AS 34.08.390, the Unit Owners, by a two-thirds (2/3) vote of all persons present and entitled to vote at a meeting of Unit Owners at which a quorum is present, may remove a member of the Executive Board with or without cause, other than a member appointed by the Declarant.

Section 11.9 - Limitations on Special Declarant Rights.
Unless sooner terminated by a recorded instrument executed by the Declarant, any Special Declarant Right (except for Development Rights) may be exercised by the Declarant so long as the Declarant is obligated under any warranty or obligation, owns any Units or any Security Interest on any Units, or for ten (10) years after recording the original Declaration, whichever is sooner. Earlier termination of certain rights may occur by statute.

Section 11.10 - Interference with Special Declarant Rights.
Neither the Association nor any Unit Owner may take any action or adopt any rules that will interfere with or diminish any Special Declarant Right without the prior written consent of the Declarant.

ARTICLE XIIAmendments to Declaration

Section 12.1 - General. Except as otherwise provided by law or elsewhere in this Declaration, this Declaration, including the Exhibits hereto, 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 12.2 - When Unanimous Consent Required. Except to the extent expressly permitted or required by provisions of the Act and this Declaration, an amendment may not create or increase Special Declarant Rights, increase the number of Units, change the number of Units, change the boundaries of a Unit, the Allocated Interests of a Unit, or the uses to which a Unit is restricted, in the absence of unanimous (100%) consent of the Unit Owners in the Association.

Section 12.3 - Execution of Amendments. An amendment to the Declaration required by AS 34.08.250 of the Act to be recorded by the Association, which has been adopted in accordance with this Declaration and AS 34.08.250 of the Act, 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.

Section 12.4 - Recordation of Amendments. Each amendment to the Declaration must be recorded in the recording district in which the Common Interest Community is located. The amendment is effective only upon recording.

Section 12.5 - Special Declarant Rights. Provisions in the Declaration creating Special Declarant Rights may not be amended without the consent of the Declarant.

Section 12.6 - Amendments to Create Units. To exercise any Development Right reserved under Section 12.1(a) or (b) of this Declaration, the Declarant shall prepare, execute and record an amendment to the Declaration. The Declarant shall also record new Exhibits "B" and "C" to reflect the changes made by the exercise of the Development Right. The amendment to the Declaration shall assign an identifying number to each new Unit created and reallocate the Allocated Interests among all Units. The amendment shall describe any Common Elements created thereby.

Section 12.7 - Consent of Holders of Security Interests. Amendments are subject to the consent requirements of Article XV.

Section 12.8 - Limitation of Challenges. An action to challenge the validity of an amendment adopted by the Association pursuant to this Article may not be brought more than one (1) year after the amendment is recorded.

ARTICLE XIII

Amendments to Bylaws

The Bylaws may be amended only by vote of two-thirds (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 XIV

Termination

Termination of the Common Interest Community may be accomplished only in accordance with Section 34.08.260 of the Act.

ARTICLE XV

Mortgagee Protection

Section 15.1 - 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 15.2 - Percentage of Eligible Mortgagees. Wherever in this 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 15.3 - Notice of Actions. The Association shall give prompt written notice to each Eligible Mortgagee and Eligible Insurer of:

(a) Any condemnation loss or any casualty loss which affects the Common Elements, if such loss exceeds \$10,000.00, or any damage to an improvement or a Unit on which there is a first Security Interest held, insured, or guaranteed by such Eligible Mortgagee or Eligible Insurer, as applicable, if such damage exceeds \$10,000.00;

(b) Any delinquency in the payment of Common Expense assessments owed by an 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 lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association;

(d) Any proposed action which would require the consent of a specified percentage of Eligible Mortgagees as specified in Section 15.4(b) of this Article; and

(e) Any judgment rendered against the Association.

Section 15.4 - Consent Required.

(a) Document Changes. Notwithstanding any lower requirement permitted by the Declaration or the Act, no amendment of any material provision of the Documents by the Association or Unit Owners described in this subsection 15.4(a) may be effective without approval in writing by at least fifty-one percent (51%) of the Eligible Mortgagees. The foregoing approval requirements do not apply to amendments affected by the exercise of any Development Right. A "material" provision includes, but is not limited to, any provision affecting:

- (i) Assessments, assessment liens or priority of assessment liens;
- (ii) Voting rights;
- (iii) Reserves for maintenance, repair and replacement of Common Elements;
- (iv) Responsibility for maintenance and repair;
- (v) Reallocation of interests in the Common Elements;
- (vi) Rights to use Common Elements;
- (vii) Boundaries of Units;
- (viii) Convertibility of Units into Common Elements or Common Elements into Units;
- (ix) Expansion or contraction of the Common Interest Community, or the addition, annexation or withdrawal of property to or from the Common Interest Community;

- (x) Insurance or fidelity bonds;
- (xi) Leasing of Units;
- (xii) Imposition of restrictions on a Unit Owner's right to sell or transfer his or her Unit;
- (xiii) Establishment of self-management when professional management had been required previously by any Eligible Mortgagee;
- (xiv) Restoration or repair of the project after hazard damage or partial condemnation in a manner other than that specified in the Documents;
- (xv) Termination of the Common Interest Community after occurrence of substantial destruction or condemnation; and
- (xvi) The benefits of mortgage holders, insurers or guarantors.

(b) Actions. Notwithstanding any lower requirement permitted by the Declaration or the Act, the Association may not take any of the following actions without the approval of at least fifty-one percent (51%) of the Eligible Mortgagees:

- (i) The establishment of self-management when professional management had been required previously by any Eligible Mortgagee;
- (ii) The restoration or repair of the Property after hazard damage or partial condemnation in a manner other than that specified in the documents;
- (iii) The merger of this Common Interest Community with any other Common Interest Community;
- (iv) The granting of any easements, leases, licenses and concessions through or over the Common Elements (excluding, however, any utility easements serving or to serve the Common Interest Community and excluding any leases, licenses or concessions for no more than one year);
- (v) The assignment of the future income of the Association, including its right to receive Common Expense assessments;

(vi) Any action taken not to repair or replace the Property.

(c) Actions requiring other than 51% mortgagee approval. The following actions by the Association require the consent of Eligible Mortgagees as specified below:

- (i) An eighty percent (80%) Eligible Mortgagee approval is required to convey or encumber the Common Elements or any portion thereof. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the Common Interest Community will not be deemed a transfer within the meaning of this clause);
- (ii) A sixty-seven percent (67%) Eligible Mortgagee approval is required for the termination of the Common Interest Community for reasons other than substantial destruction or condemnation;
- (iii) When Unit boundaries are not otherwise being affected, only the owners of Units affected and Eligible Mortgagees of those Units need approve the alteration of any partition or creation of any aperture between adjoining Units;
- (iv) The Association may not change the period for collection of regularly budgeted common expense assessments to other than monthly without the unanimous (100%) consent of Eligible Mortgagees.

(d) Failure to Respond. The failure of an Eligible Mortgagee to respond within thirty (30) days to any written request of the Association for approval of an action or amendment to the Declaration shall constitute an implied approval of the action or amendment, provided that notice was delivered by certified or registered mail, with a "return receipt" requested.

Section 15.5 - Inspection of Books. The Association shall permit any Eligible Mortgagee or Eligible Insurer to inspect the books and records of the Association during normal business hours and, upon request, furnish such Eligible Mortgagees or Eligible Insurers annual reports and other financial data.

Section 15.6 - Financial Statements. The Association shall provide any Eligible Mortgagee or Eligible Insurer which submits a written request, with a copy of an annual financial statement

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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.

Section 15.7 - 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.

Section 15.8 - Attendance at Meetings. Any representative of an Eligible Mortgagee or Eligible Insurer may attend any meeting which a Unit Owner may attend.

Section 15.9 - Appointment of Trustee. In the event of damage or destruction within the Common Interest Community or condemnation of all or a portion of the Common Interest Community, any Eligible Mortgagee may require that insurance or condemnation proceeds be payable to a Trustee. Such Trustee may be required to be a corporate trustee licensed by the State of Alaska. Proceeds will thereafter be distributed pursuant to Article XX or pursuant to a condemnation award. Unless otherwise required, the members of the Board of Directors acting by majority vote through the President may act as Trustee.

Section 15.10 - Priority on Insurance and Condemnation Proceeds. No provision of the Documents of the Association shall be deemed to give priority to an Owner or any other party over any rights of an Eligible Mortgagee pursuant to the terms of its Security Instrument in the case of distribution of insurance proceeds or condemnation proceeds, whether such proceeds pertain to a Unit or Common Elements.

Section 15.11 - Development Rights. No Development Rights may be exercised or voluntarily abandoned or terminated by the Declarant unless all persons holding Security Interests in the Development Rights consent to the exercise, abandonment, or termination. No Development Rights may be exercised later than seven (7) years after the date of recording of this Declaration, unless fifty-one percent (51%) of the Eligible Mortgagees consent to the exercise of the Development Right.

Section 15.12 - Right to Reimbursement. Eligible mortgagees of Units in Edgewater may, jointly or singly, pay taxes or other charges, which are in default and which may or have become a charge against any Common Element owned by the Association and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the Common Elements. Eligible Mortgagees making such payments shall be owed immediate reimbursement from the Association.

ARTICLE XVI

Assessment and Collection of Common Expenses

Section 16.1 - Apportionment of Common Expenses. Except as provided in Section 16.2, all Common Expenses shall be assessed against all Units in accordance with their percentage share of the Common Expense liability as shown on Exhibit "B" to this Declaration.

Section 16.2 - Common Expenses Attributable to Fewer than all Units.

(a) Any Common Expense for services provided by the Association to an individual Unit at the request of the Unit Owner shall be assessed against the Unit which benefits from such service.

(b) Any insurance premium increase attributable to a particular Unit by virtue of activities in or construction on the Unit shall be assessed against that Unit.

(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) If a Common Expense is caused by the misconduct of a Unit Owner, the Association may assess that expense exclusively against the Unit.

(e) 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.

Section 16.3 - 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 fines become due. Fees, charges, late charges, fines and interest charged pursuant to the Act, as it may be amended from time to time, and any of the Association's 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: (1) a lien or encumbrance recorded before the recordation of the original Declaration described above in the introductory paragraph of this document; (2) a first security interest on the Unit recorded before the date

on which the assessment sought to be enforced became delinquent; and, (3) liens for real estate taxes and other governmental assessments or charges against the Unit. A lien under this Section is also prior to all security interests described in Subdivision (2) of this Subsection if the Common Expense assessment based on the periodic budget adopted by the Association, pursuant to Section 16.4 of this Article, would have become due in the absence of acceleration during the six (6) months immediately preceding the institution of an action to enforce the Association's lien. This does not affect the priority of mechanics' or materialmen'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 provisions of AS 09.38.010, as it may be amended from time to time.

(c) Recording of the Declaration constitutes record notice and perfection of the lien. Further recording of a claim of lien for assessments under this Section is not required.

(d) A lien for unpaid assessments 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 an owner of a Unit subject to a lien under this Section files a petition for relief under the U.S. 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 § 362 of the U.S. Bankruptcy Code is lifted.

(e) This Section does not prohibit an action to recover sums for which Subparagraph (a) of this Section creates a lien or foreclosure or prohibit an Association from taking a deed in lieu of foreclosure.

(f) When the Association acquires a judgment or decree in any action brought under this Section, such judgment or decree shall include an award to the Association for actual collection costs and reasonable attorney's fees.

(g) A judgment or decree in an action brought under this Section is enforceable by execution under AS 09.35.010, as it may be amended from time to time.

(h) The Association's lien must be foreclosed as a lien is foreclosed under AS 34.35.005, as it may be amended from time to time.

(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 16.4 of this Article.

(j) The purchaser at a foreclosure sale initiated by the holder of a security interest in a Unit is not liable for any unpaid assessments against the Unit which became due before the sale, other than the assessments which are prior to that security interest under Subsection 16.3(b) above. Any unpaid assessments not satisfied from the proceeds of sale become common expenses for which all the Unit Owners, including the purchaser, may be assessed. For the purposes of this paragraph "the purchaser" shall include, but not be limited to, any holder of a security interest in a Unit which obtains title to a Unit.

(k) Any payments received by the Association to discharge a Unit Owner's obligation may be applied to the oldest balance due.

(l) The Association may acquire, hold, lease, mortgage and convey a Unit foreclosed upon pursuant to this Section for unpaid assessments.

(m) A lien under this Section shall not be affected by any sale or transfer of a Unit except as provided in Subsection (j) above.

Section 16.4 - 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) or 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 16.5 - 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 16.2 of this Article, in an amount greater than fifteen percent (15%) of the current annual operating budget, the Board of Directors shall submit such Common Expenses to the Unit Owners for their consideration and comment in the same manner as a budget under Section 16.4 above; provided, however, that such assessment can be considered at a special meeting as long as the notice required for annual meetings is provided to the Unit Owners.

Section 16.6 - 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 his or her Unit. The statement must be furnished within ten (10) business days after receipt of the request and is binding upon the Association, the Executive Board and each Unit Owner.

Section 16.7 - Monthly Payment of Common Expenses. All common expenses assessed under this Article XVI shall be due and payable monthly.

Section 16.8 - Acceleration of Common Expense Assessments. In the event of default for a period of ten (10) 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. The holder of a first Security Interest in a Unit which has acquired title to any Unit as a result of a foreclosure of its Security Interest shall be exempt from the application of this Subsection.

Section 16.9 - 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 16.10 - Personal Liability of Unit Owners. The 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.

ARTICLE XVII

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 at least fifty-one percent (51%) of the votes in the Association are allocated, at a meeting called for that purpose.

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ARTICLE XVIII

Persons and Units Subject to Documents

Section 18.1 - 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, Third Judicial District, State of Alaska, are covenants running with the land and shall bind any persons having at any time any interest in such Unit.

Section 18.2 - Adoption of Rules. The Executive Board may adopt Rules regarding the use and occupancy of Units and Common Elements, and the activities of occupants, subject to Notice and Comment.

ARTICLE XIX

Insurance

Section 19.1 - Coverage. To the extent reasonably available, the Executive Board shall obtain and maintain insurance coverage as set forth in this Article. 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 19.2 - Property Insurance.

(a) The Association shall maintain property insurance on the Common Elements insuring against all risks of direct physical loss commonly insured against. The total amount of insurance after application of any deductibles shall be not less than one hundred percent (100%) of the current replacement value, if required by an Eligible Mortgagee, and in any event, not less than the higher of eighty percent (80%) of the actual cash value of the insured property or an amount sufficient to avoid coinsurance under any applicable insurance policy, at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations and other items normally excluded from property policies. The insurance maintained under this section shall not include the Units or the improvements and betterments installed by Unit Owners. The Association shall maintain insurance in an amount equal to the actual cash value of personal property owned by the

Association. Prior to obtaining any insurance on Common Elements under this section, and at least annually thereafter, the Executive Board shall take reasonable steps satisfactory to the insurance company to determine the replacement cost of the Common Elements or obtain an agreed amount endorsement. The maximum deductible for insurance policies shall be the lesser of \$10,000.00 or one percent (1%) of the policy face amount, whichever is less.

(b) 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 to 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 Association's policy 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, each Unit Owner and each holder of a Security Interest to whom a certificate or memorandum of insurance has been issued, at their respective last known address; and

(vii) The name of the insured shall be substantially as follows:

"EDGEWATER PLANNED COMMUNITY HOMEOWNERS ASSOCIATION
for the use and benefit of the individual Owners."

Section 19.3 - Liability Insurance. Liability insurance, including medical payments insurance, in an amount determined by the Executive Board but in no event less than \$1,000,000, covering all occurrences commonly insured against (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 the 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; and

(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, each Unit Owner and each holder of a Security Interest to whom a certificate or memorandum of insurance has been issued at their last known addresses.

Section 19.4 - Fidelity Bonds. A blanket fidelity bond is required 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 bond shall name the Association as obligee and shall cover the maximum funds that will be in the custody of the Association or the manager at any time while the bond is in force, and in no event less than the sum of three (3) months' assessments plus reserve funds. The bond shall include a provision that calls for ten (10) days' written notice to the Association, to each holder of a Security Interest in a Unit, to each servicer that services a FNMA-owned, VA-owned, FHLMC-owned, or AHFC-owned mortgage on a Unit and to the insurance trustee, if any, before the bond can be canceled or substantially modified for any reason.

Section 19.5 - Unit Owner Policies. An insurance policy issued to the Association does not prevent a Unit Owner from obtaining insurance for his or her own benefit.

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Section 19.6 - Workers' Compensation Insurance. The Executive Board shall obtain and maintain Workers' Compensation Insurance to meet the requirements of the laws of the State of Alaska.

Section 19.7 - Directors' and Officers' Liability Insurance. The Executive Board shall obtain and maintain directors' and officers' liability insurance, if 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 19.8 - Other Insurance. The Association may carry other insurance which the Executive Board considers appropriate to protect the Association or the Unit Owners.

Section 19.9 - Premiums. Insurance premiums shall be a Common Expense.

ARTICLE XX

Damage To Or Destruction Of Property

Section 20.1 - Duty to Restore. A portion of the Common Interest Community for which insurance is required under Section 34.08.440 of the Act 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 vote not to rebuild.

Section 20.2 - Cost. The cost of repair or replacement of the Common Elements in excess of insurance proceeds and reserves is a Common Expense.

Section 20.3 - 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 fifty-one percent (51%) of Eligible Mortgagees.

Section 20.4 - Insurance Proceeds.

- (a) The insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the remainder of the Common Interest Community.

(b) 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 20.1, the proceeds shall be disbursed first for the repair or restoration of the damaged 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 20.5 - 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; and

(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 20.6 - Certificates by Attorneys or Title Reports. Title insurance companies or, 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 an attorney's certificate of title or a title insurance policy based on a search of the records of the District Recorder's Office, Anchorage Recording District, Third Judicial District, State of Alaska, from the date of the recording of the original above-described Declaration stating the names of the Unit Owners and the mortgagees.

ARTICLE XXI

Rights to Notice and Comment; Notice And Hearing

Section 21.1 - 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 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 five (5) 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 21.2 - 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 interests would be significantly affected by the proposed action. The notice shall include a general statement of the proposed action and the date, time and place of the hearing. The notice shall be given not less than five (5) days before the hearing date. 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 21.3 - 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 21.4 - Arbitration. Disputes between the Association, Unit Owners, their tenants in residence, and assigns shall be submitted to arbitration in accordance with the provisions of the Bylaws of the Association.

ARTICLE XXII

Executive Board

Section 22.1 - Minutes of Executive Board Meetings. 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.

Section 22.2 - Powers and Duties. The Executive Board may act in all instances on behalf of the Association, except as provided in this Declaration, the Bylaws or the Act. The Executive Board

shall have, subject to the limitations contained in this 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 part of the Common Elements;
- (j) Acquire, hold, encumber and convey in the 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 for no more than one (1) year, 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, and for services provided to Unit Owners;
- (m) Impose a reasonable charge for late payment of assessments and, after Notice and hearing, levy reasonable fines 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 this 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 this 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;

(s) Exercise any other power necessary and proper for the governance and operation of the Association; and

(t) By resolution, establish committees of Directors, permanent and standing, to perform any of the above functions under specifically delegated administrative standards, as designated in the resolution establishing the committee. All committees must maintain and publish notice of their actions to Unit Owners and the Executive Board. However, actions taken by a committee may be appealed to the Executive Board by any Unit Owner within forty-five (45) days of publication of such notice, and such committee action must be ratified, modified or rejected by the Executive Board at its next regular meeting.

Section 22.3 - Executive Board Limitations. The Executive Board may not act on behalf of the Association to amend this 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 the term.

ARTICLE XXIII

Open Meetings

Section 23.1 - 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 hereafter provided.

Section 23.2 - Notice. Notice of every such meeting will be given not less than twenty-four (24) hours prior to the time set for such meeting, by posting such notice in a conspicuous location in the Common Interest Community, except that such notice will not

be required if an emergency situation requires that the meeting be held without delay.

Section 23.3 - 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 where the action taken at the executive session involves personnel, pending litigation, contract negotiations, or enforcement actions or where no action is taken at the executive session requiring the affirmative vote of Directors.

ARTICLE XXIV

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 Section 34.08.740 of the Act.

ARTICLE XXV

Miscellaneous

Section 25.1 - 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 25.2 - Gender. The use of the masculine gender refers to the feminine and neuter genders and the use of the singular includes the plural, and vice versa, whenever the context of the Documents so requires.

Section 25.3 - 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 25.4 - 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 25.5 - Conflict. The Documents are intended to comply with the requirements of the Act and Chapter 10.20 of the Alaska Statutes (Non-Profit Corporation Law). 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 this Declaration and any other Document, this Declaration shall control.

Section 25.6 - 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 WITNESS WHEREOF, the Declarant has caused this Declaration to be executed this 18th day of August, 1992.

Declarant: Edgewater, Inc.

By: Douglas H. Main
Douglas H. Main, President

STATE OF ALASKA)
) ss
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 18th day of August, 1992, before me the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Douglas H. Main, to me known and known to me to be the President of Edgewater, Inc., the Declarant, and known to me to be the person who signed the foregoing instrument, on behalf of said corporation, 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 Board of Directors.

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

Terese A. Tollett
Notary Public in and for Alaska
My commission expires: 5/22/94

Consent of Mortgagee:
KEY BANK OF ALASKA

Brad Stern
By: Brad Stern, Vice President

STATE OF ALASKA)
) ss
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 20th day of August, 1992, before me the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Brad Stern, to me known and known to me to be the Vice President of Key Bank of Alaska, and known to me to be the person who signed the foregoing instrument, on behalf of said corporation, 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 Board of Directors.

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

Sue M. Schlect
Notary Public in and for Alaska
My commission expires: 1-31-94

EXHIBIT A

to

D E C L A R A T I O N
for

EDGEWATER
(A Planned Community)

RECORDED EASEMENTS AND LICENSES

The Common Interest Community is subject to the following recorded easements and licenses:

1. Reservations and exceptions as contained in the U.S. Patent.
2. Reservation of road rights of way as delineated on the subdivision plat.
3. Any effect of the notes which appear on the plat of said subdivision.
4. All of the provisions of that certain Subdivision Agreement dated September 19, 1984, and recorded December 12, 1984 in Book 1200, Page 560, Anchorage Recording District, between XCU Corporation and the Municipality of Anchorage, which Subdivision Agreement was subsequently assigned to Edgewater, Inc. on March 27, 1992.
5. All of the provisions of that certain Water Main Extension Agreement dated November 5, 1991, and recorded January 30, 1992, in Book 2235, Page 553, Anchorage Recording District, between the Municipality of Anchorage and Premier Development Construction, Inc.
6. All of the provisions of that certain Sanitary Sewer Extension Agreement dated November 5, 1991, and recorded January 30, 1992, in Book 2235, Page 571, Anchorage Recording District, between the Municipality of Anchorage and Premier Development Construction, Inc.

EXHIBIT B
to
D E C L A R A T I O N
for
EDGEWATER
(A Planned Community)
TABLE OF INTERESTS

<u>Unit No.</u>	<u>Percentage Share of Common Expense Liability</u>	<u>Votes In The Association</u>
Lot 1, Block 1	1.724%	1
Lot 2, Block 1	1.724%	1
Lot 3, Block 1	1.724%	1
Lot 4, Block 1	1.724%	1
Lot 5, Block 1	1.724%	1
Lot 6, Block 1	1.724%	1
Lot 7, Block 1	1.724%	1
Lot 8, Block 1	1.724%	1
Lot 9, Block 1	1.724%	1
Lot 10, Block 1	1.724%	1
Lot 11, Block 1	1.724%	1
Lot 12, Block 1	1.724%	1
Lot 13, Block 1	1.724%	1
Lot 14, Block 1	1.724%	1
Lot 15, Block 1	1.724%	1
Lot 16, Block 1	1.724%	1
Lot 17, Block 1	1.724%	1
Lot 1, Block 2	1.724%	1
Lot 2, Block 2	1.724%	1
Lot 3, Block 2	1.724%	1
Lot 4, Block 2	1.724%	1
Lot 5, Block 2	1.724%	1
Lot 6, Block 2	1.724%	1
Lot 7, Block 2	1.724%	1
Lot 8, Block 2	1.724%	1
Lot 9, Block 2	1.724%	1
Lot 10, Block 2	1.724%	1
Lot 11, Block 2	1.724%	1
Lot 12, Block 2	1.724%	1
Lot 13, Block 2	1.724%	1
Lot 14, Block 2	1.724%	1
Lot 1, Block 3	1.724%	1
Lot 2, Block 3	1.724%	1
Lot 3, Block 3	1.724%	1
Lot 4, Block 3	1.724%	1
Lot 5, Block 3	1.724%	1

Lot 6, Block 3	1.724%	1
Lot 7, Block 3	1.724%	1
Lot 8, Block 3	1.724%	1
Lot 9, Block 3	1.724%	1
Lot 10, Block 3	1.724%	1
Lot 11, Block 3	1.724%	1
Lot 12, Block 3	1.724%	1
Lot 13, Block 3	1.724%	1
Lot 14, Block 3	1.724%	1
Lot 15, Block 3	1.724%	1
Lot 16, Block 3	1.724%	1
Lot 1, Block 4	1.724%	1
Lot 2, Block 4	1.724%	1
Lot 3, Block 4	1.724%	1
Lot 4, Block 4	1.724%	1
Lot 5, Block 4	1.724%	1
Lot 6, Block 4	1.724%	1
Lot 7, Block 4	1.724%	1
Lot 8, Block 4	1.724%	1
Lot 9, Block 4	1.724%	1
Lot 10, Block 4	1.724%	1
Lot 11, Block 4	1.724%	1

EXHIBIT E

to

DECLARATION
for

EDGEWATER
(A Planned Community)

STANDARDS FOR ARCHITECTURAL CONTROL

No building or structure shall be erected, altered, placed or permitted to remain on any lot other than:

a. One (1) detached single-family dwelling, not to exceed two and one-half (2-1/2) stories in height from the average elevation of the building site. Each and every dwelling must have a garage capable of housing at least two (2) automobiles. Larger garages or more than one (1) garage may be permitted by the Executive Board on a case by case basis.

b. Fences, gates and associated structures.

c. A greenhouse.

d. A garden tool shed, children's playhouse or like structure.

e. A doghouse and/or pen.

f. Any other accessory building, shed, structure, stationary antenna or other item permitted by the Executive Board.

None of the items listed above may be constructed, installed, placed or made without the express written approval of the Executive Board as provided in Article X of the Declaration.

Dwelling Size and Completion: The ground floor area of the main structure, exclusive of one-story open porches and garages shall not be less than one thousand three hundred (1,300) square feet for a one-story dwelling nor less than eight hundred (800) square feet for a dwelling of more than one story, unless the Executive Board expressly waives the size requirement. Said waiver will be granted only if the proposal substantially conforms with the letter and intent of these standards for architectural control and the finished appearance contributes to the appearance of the entire neighborhood.

No more than eight hundred (800) square feet of the interior area can remain unfinished after the date of initial occupancy. All unfinished areas shall be screened so as to make the unfinished area invisible from the street or any adjoining lot or resident.

Every dwelling shall be entirely finished within one (1) year of the date construction begins, except for the eight hundred (800) interior square feet permitted herein. All other improvements shall be completed within ninety (90) days following commencement of construction.

Placement of Structures, Setbacks and Siting: The location of any and all man-made structures is subject to the approval of the Executive Board. No dwelling, deck, porch, roof overhang or other portion of any structure may encroach into the area defined in the setback requirements contained in the application of Title 21 of the Anchorage Municipal Code, as amended from time to time. In addition to Municipal setback requirements, minimum setback requirements are as follows:

- Front yard: 20 feet
- Side yard: 5 feet
- Rear yard: 10 feet

In addition, no two houses shall be closer than 10 feet together and front yard setbacks are to be varied to avoid a uniform appearance from the street. The Executive Board may require additional front yard setbacks.

The Executive Board shall have the authority in any individual case to make such exceptions to the building setback and fence location requirements set forth herein as said board shall in its uncontrolled discretion deem necessary or advisable.

Access to Lot: Only one (1) access driveway shall be permitted for each lot in the subdivision, however, two (2) adjacent lots may share a common driveway.

Design and Finished Appearance of Buildings: The Declarant wishes to create a superior residential neighborhood which exhibits a wide range of designs, appearances and colors, THEREFORE:

A wide range of architectural designs are permissible, including but not limited to: Farm-style, New England or Traditional Colonial, Southern Colonial, Dutch Colonial, English Tudor, French Provincial, or Victorian designs. An equally wide range of roof styles and siding materials is permissible and encouraged.

The color of external materials will be generally subdued to blend with the colors of the natural landscape. Earth tones or traditional New England Colors, generally muted, are recommended,

although occasional accent colors used judiciously and with restraint may be permitted. The subjective matter of approving colors is the responsibility of the Executive Board.

The use of T1-11 type wood siding is discouraged on any portion of the exterior of any structure facing a street. However, when special applications or conditions exist, the Executive Board, may, in its sole discretion, approve limited use of T1-11.

All roofs shall be of a material, color and texture approved by the Board. No maximum or minimum pitch is specified, but approval by the Board will be based on the visual impact of the roof on the lot or on neighboring lots, dwellings, roads and open spaces. The overall appearance of the dwelling will be an important consideration.

All projections including, but not limited to, chimney flues, vents, gutters, downspouts, utility boxes, porches, railings and exterior stairways shall match the color of the surface from which they project, or shall be of an approved color.

Visual impact of garage doors will be minimized by such measures as, but not limited to, siting of the dwelling, protective overhangs or projections, special door facing materials or design and/or landscaping.

Driveways: All driveways leading from the street to the garage shall be hard-surfaced and at least seventeen feet (17') wide. Where driveways cross sidewalks, each driveway shall have a concrete apron between the street curb and the sidewalk.

Sight Distance: No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two feet (2') and six feet (6') above the roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five feet (25') from the intersection of the street lines, or in the case of a rounded property corner from the intersection of the street property lines extended. The same sightline limitations shall apply on any lot within ten feet (10') from the intersection of a street property line with the edge of a driveway or alley. No trees shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of sight lines.

Construction Completion Requirement: All dwellings must be completed within twelve (12) months after construction begins. All accessory buildings must be fully completed within three (3) months after construction begins.

EXHIBIT C

to

D E C L A R A T I O N
for

EDGEWATER
(A Planned Community)

DEVELOPMENT PLAN

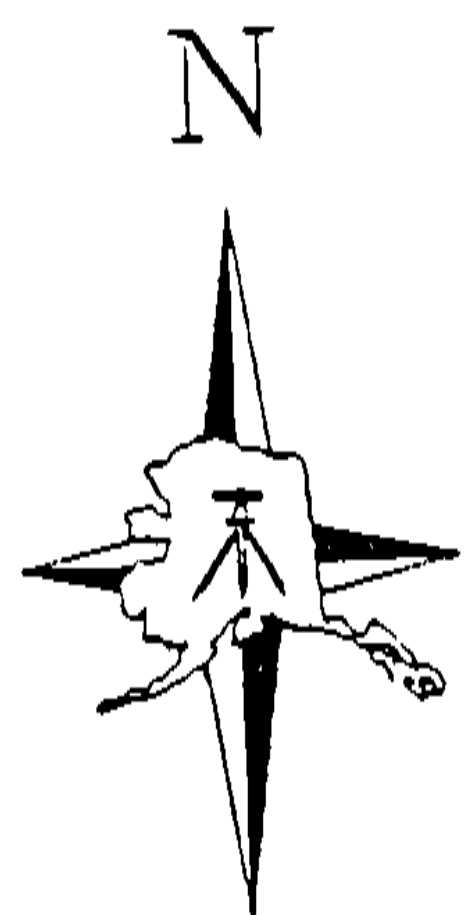
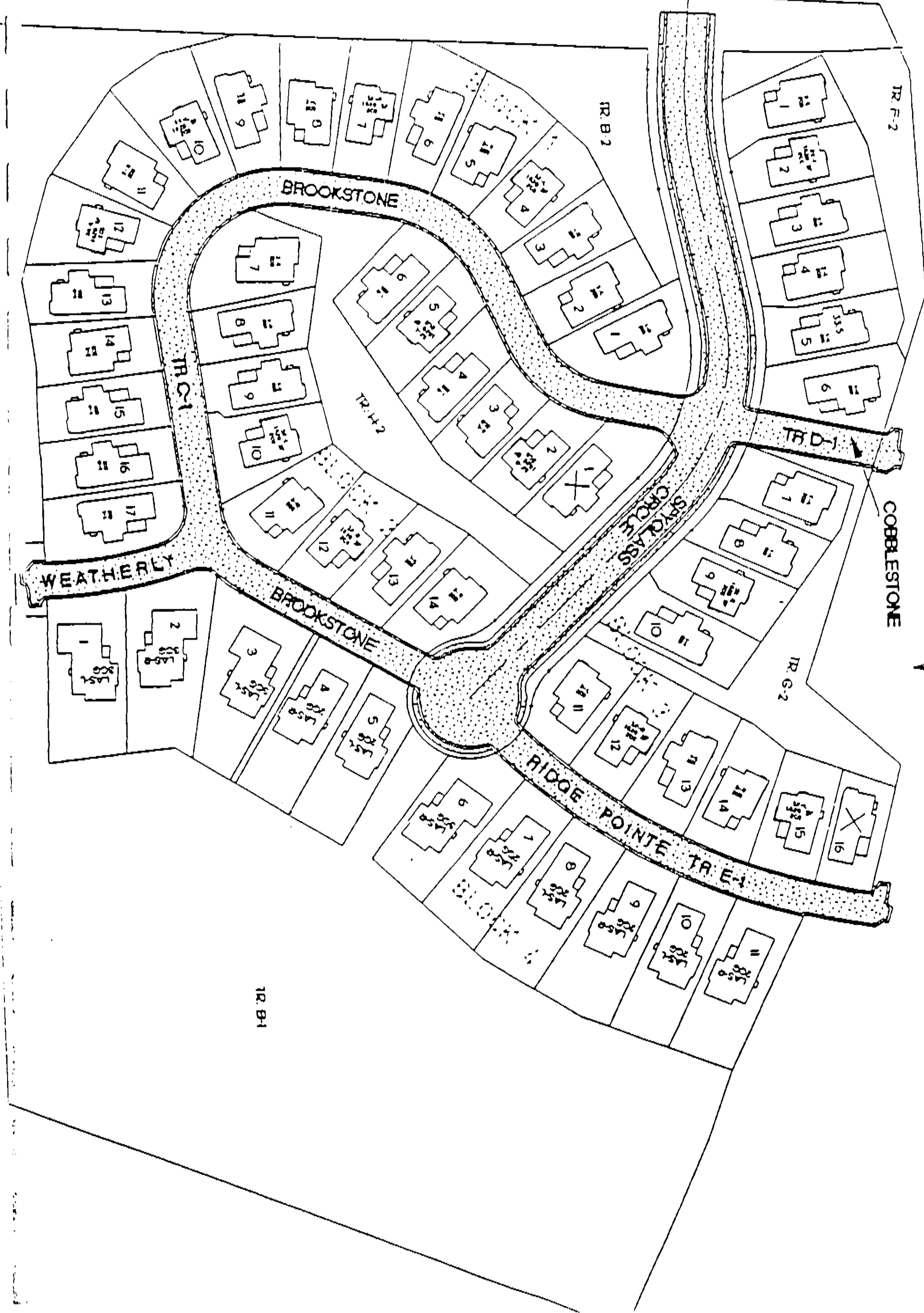


EXHIBIT D

to

D E C L A R A T I O N
for

EDGEWATER
(A Planned Community)

ADDITIONAL USE RESTRICTIONS

In addition to the single-family residential use restriction contained in Section 8.1 of this Declaration, use of the Units, Common Elements, and Limited Common Elements is subject to the following restrictions:

1. Landscaping: All areas of each lot not devoted to buildings, structures, driveways, walks, off-street parking or other permitted site improvements shall be landscaped or covered with lawns, shrubbery trees, garden bark, landscaping cobbles or other ground cover approved by the Executive Board. Native vegetation shall not suffice as landscaping unless the type and quality is such that the Executive Board expressly approves the proposal. Vegetable gardens in the front yard of a lot are prohibited.

Each owner shall similarly landscape the adjacent unpaved public right-of-way fronting each lot, the area of which shall be defined by extending the boundary lines of each lot. The front yard of each lot shall support no less than two (2) live trees at any time. Each tree shall be greater than five feet (5') tall, three inches (3") in diameter at the base, and in good health. Trees may be planted at the completion of construction, but in any event must be in place no later than the first day of August following initial occupancy of the residence. Waivers of this requirement may be granted by the Executive Board on a case-by-case basis, if the Unit Owner presents an acceptable alternative proposal. The Unit Owner shall bear all costs associated with maintenance of landscaped areas. All required landscaping work shall be completed by the first day of August following initial occupancy of the residence. If the required landscaping is not performed by the Unit Owner within the time allocated, then the Declarant or the Association shall have the right to install such landscaping and charge the cost thereof to the noncomplying Unit Owner as a special assessment.

2. Fences: Subject to the approval of the Executive Board, fences may be constructed on any lot. All fences must be properly maintained as an attractive addition to the lot. No fence is permitted in any front yard unless the Executive Board finds it will become an attractive addition to the neighborhood. Metal or chain-link fences are not permitted.

3. Screening: All utility areas, trash containers, machinery, equipment, service yards, wood piles, storage areas and other unsightly items shall be screened by sight-obscuring fences, earthen berms or screens so as to conceal them from the view of adjacent streets and lots and neighboring residents.

4. Temporary Structures: No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any lot at any time as a residence. No structure other than the residence may be constructed or placed on any lot at any time.

5. Fuel Storage: No fuel shall be stored above ground for any aircraft, automobile, boat or other vehicle.

6. Vehicles: Extra vehicles, inoperable or otherwise, including but not limited to automobiles, or trucks not used at least twice weekly, campers, boats, recreational vehicles, snow machines or other machinery shall be kept in a garage, other closed structure or screened so that the item is not visible from the public streets, an adjoining lot or a nearby house; EXCEPT that recreational vehicles may be kept in a Unit Owner's driveway only between May 1 and October 1 of each year, said recreational vehicles to be stored in a garage or other off-site parking facility during the remainder of the year. The purpose of this provision is to keep unsightly or unused equipment out of sight.

No vehicles or equipment shall be parked or placed in a public right-of-way for more than twenty-four (24) hours. No vehicle or equipment owned by a resident or owner shall be placed on a public street within the subdivision for more than forty-eight (48) cumulative hours in any week.

No large commercial vehicles, vans, trucks or like equipment, shall be parked, placed or used on any lot or street in any manner which creates a nuisance or unsightly condition. Should any Unit Owner fail to remove such vehicle within two (2) days following the date on which notice is mailed to him by the Declarant or the Association informing him of a violation of this provision, the Declarant or the Association may have such vehicle removed and charge the expense of removal to said owner. A vehicle shall be deemed to create a nuisance when, in the opinion of the Executive

Board, its presence offends the reasonable sensibilities of the occupants of the neighborhood.

7. Nuisances: No noxious or offensive activity shall be carried on or upon any lot, nor shall anything be done thereon which may be, or may become, a nuisance, or cause unreasonable embarrassment, disturbance or annoyance to other owners in the enjoyment of their lots. Repair or restoration of any motor vehicle, boat, trailer, aircraft or other vehicle shall be considered a nuisance unless the activity is conducted in a properly enclosed or screened area.

8. Pet Regulations: No animals, livestock, or poultry shall be kept on any lot, except that domestic dogs, cats, fish, and birds inside bird cages may be kept as household pets provided they are not kept, bred, or raised therein for commercial purposes on in unreasonable quantities. No more than two (2) dogs may be maintained on the premises. No vicious dog (as defined by the ordinances of the Municipality of Anchorage) shall be kept on any lot. All pets shall be chained, fenced or otherwise restrained at all times. No pet shall be allowed to run freely.

9. Rubbish: Trash, garbage, or other waste shall be disposed of only by depositing same into designated trash containers. All trash containers must be screened. No lot shall be used or maintained as a dumping ground for rubbish. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. There shall be no exterior fires whatsoever, except barbecue fires contained within receptacles therefor.

10. Signs: No signs shall be erected or maintained on any residential lot, except that not more than one approved FOR SALE or FOR RENT sign placed by the owner or a licensed real estate broker, not exceeding eighteen inches (18") in width and thirty-six inches (36") in height, not including any post used to hang the sign, may be displayed on any lot. No signs are to be posted by owners until such signs have been approved as to design and appearance by the Executive Board.

Notwithstanding the above, the Declarant shall have the right to post street signs on the private streets of the subdivision as well as an unlighted sign or signs with the name of the Project at the entrance to the Project.

11. Maintenance and Installation: Every owner shall:

a. Maintain the dwelling, patio, fences, and other site improvements in good condition and repair;

b. Maintain in attractive and viable condition landscaping and/or the natural flora on the lot and the adjacent unpaved public right-of-way;

c. Maintain the exterior surfaces of all dwellings, accessory structures, and other site improvements in a workmanlike manner, using proper methods, materials and standards; and

d. Remove snow and ice from sidewalks where sidewalks are adjacent to the lot.

e. In the event an owner fails to perform in accordance with the requirements of this paragraph 11, the Association may hire contractors or others to perform the necessary services. The cost of those reasonable services will become an assessment levied by the Association and the owner shall become liable for the costs incurred by the Association.

12. Outside Installations: No outside radio pole, television antennae, or other similar installation of any nature may be installed on the exterior of a building, the roof of a building, or ground mounted unless specifically approved by the Executive Board. In any event, no roof antennae or other similar installation will be permitted after the cable company has installed a line into the subdivision (estimated to be in 1996). The Unit Owner will have six (6) months following the date cable is installed to remove such antennae. In the event the Unit Owner fails to remove the antennae, the Association may do so and charge the cost of such removal to the Unit Owner.

13. Oil and Mining Operations: No oil or gas drilling, no oil or gas development operations, oil or gas refining, quarrying or mining operations, of any kind shall be permitted on any lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted on any lot. No surface entry will be permitted and no extraction of minerals will be permitted within a five hundred foot (500') buffer measured vertically from the surface.

14. Water: No individual well or water system shall be installed on any lot. All lot purchasers and owners purchase subject to the requirements that they take water from the public supplier, namely Anchorage Water and Wastewater Utility. Such system shall be constructed in accordance with the requirements, standards and recommendations of the Alaska Department of Environmental Conservation and the Municipality of Anchorage, Water and Waste Water Utility.

15. Sewer: No individual sewage-disposal system shall be installed on any lot. All lot owners purchase subject to requirements that they use the sewage disposal system installed. Such system shall be constructed with requirements, standards, and recommendations of the Alaska Department of Environmental conservation and the Municipality of Anchorage, Water and Waste Water Utility.

16. Easement: Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements, no structure, planting, or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area on each lot and all improvements in it shall be maintained continuously by the owner of the lot, except for those improvements for which a public authority or utility company is responsible.

17. Re-Subdivision: The lots subject to these restrictions shall not be reduced in size by re-subdivision, but owners of three (3) contiguous lots may divide the inner or middle lot, to increase the size of the two (2) outer lots, which shall then be treated for all purposes pertinent to this Declaration as enlarged single lots.

18. Street Lights: The six (6) street lights to be installed by Declarant on the private streets will be maintained by the Association unless and until the private streets are dedicated to the Municipality of Anchorage.

EXHIBIT F
to
D E C L A R A T I O N
for
EDGEWATER
(A Planned Community)
LIMITED COMMON AREAS

LEGAL DESCRIPTIONS FOR
LIMITED USE EASEMENTSLot 2, Block 1, Edgewater Subdivision

This parcel contained wholly within Tract B-2, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the most easterly corner of Lot 2, Block 1, Edgewater Subdivision, said point being the True Point of Beginning; thence N64°44'47"E for 15.00 feet; thence N25°15'13"W for 45.25 feet; thence S64°31'32"W for 15.00 feet; thence S25°15'13"E for 45.19 feet to the True Point of Beginning;

Said parcel contains 678 square feet.

Lot 3, Block 1, Edgewater Subdivision

This parcel contained wholly within Tract B-2, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the most easterly corner of Lot 3, Block 1, Edgewater Subdivision, said point being the True Point of Beginning; thence N64°31'32"E for 15.00 feet; thence N25°15'13"W for a distance of 56.19 feet; thence S56°03'00"W for 15.17 feet; thence S25°15'13"E for 53.95 feet to the True Point of Beginning;

Said parcel contains 826 square feet.

Lot 4, Block 1, Edgewater Subdivision

This parcel contained wholly within Tract B-2, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located

within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Beginning at the most easterly corner of Lot 4, Block 1, Edgewater Subdivision, said point being the True Point of Beginning; thence N56°03'00"E for 15.17 feet; thence N25°15'13"W for 30.20 feet; thence N45°38'50"W for a distance of 32.67 feet; thence S45°23'20"W for a distance of 15.00 feet; thence S45°38'50"E for a distance of 30.25 feet; thence S25°15'13"E for a distance of 29.80 feet to the True Point of Beginning;

Said parcel contains 922 square feet.

Lot 5, Block 1, Edgewater Subdivision

This parcel contained wholly within Tract B-2, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Beginning at the most easterly corner of Lot 5, Block 1, Edgewater Subdivision, said point being the True Point of Beginning; thence N45°23'20"E for a distance of 15.00 feet; thence N45°38'50"W for 39.97 feet; thence N59°59'10"W for a distance of 34.96 feet; thence S26°34'58"W for a distance of 15.03 feet; thence S59°59'10"E for a distance of 32.17 feet; thence S45°38'50"E for a distance of 37.82 feet to the True Point of Beginning;

Said parcel contains 1087 square feet.

Lot 10, Block 1, Edgewater Subdivision

This parcel contained wholly within Tract B-1, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the most westerly corner of Lot 10, Block 1, Edgewater Subdivision, said point being the True Point of

Beginning; thence N36°59'50"W for 65.26 feet; thence S85°25'25"E for a distance of 100.33 feet; thence S17°29'42"E for a distance of 11.71 feet; thence 77°41'45"SW for a distance of 24.71 feet; thence S56°33'50"W for a distance of 46.00 feet; thence S36°40'00"W for a distance of 2.90 feet to the True Point of Beginning;

Said parcel contains 2615 square feet.

Lot 11, Block 1, Edgewater Subdivision

This parcel contained wholly within Tract B-1, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the NW corner of Lot 11, Block 1, Edgewater Subdivision, said point being the True Point of Beginning; thence N64°11'50"W for 69.28 feet; thence N0°03'35"W for a distance of 93.36 feet; thence S85°25'25"E for a distance of 72.28 feet; thence S36°59'50"E for a distance of 65.26 feet; thence S36°40'00"W for a distance of 81.81 feet to the True Point of Beginning;

Said parcel contains 9741 square feet.

Lot 12, Block 1, Edgewater Subdivision

This parcel contained wholly within Tract B-1, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the most northerly corner of Lot 12, Block 1, Edgewater Subdivision, said point being the True Point of Beginning; thence S36°40'00"W for a distance of 5.60 feet; thence S16°42'10"W for a distance of 70.74 feet; thence S89°43'39"W for a distance of 38.59 feet; thence N0°03'35"W for a distance of 102.58 feet; thence S64°11'50"E for 69.28 feet to the True Point of Beginning;

Said parcel contains 4522 square feet.

Lot 13, Block 1, Edgewater Subdivision

This parcel contained wholly within Tract B-1, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the NW corner of Lot 13, Block 1, Edgewater Subdivision, said point being the True Point of Beginning; thence S16°42'10"W for a distance of 13.40 feet; thence S07°16'40"E for a distance of 35.50 feet; thence S87°52'30"W for a distance of 39.21 feet; thence N0°03'35"W for a distance of 49.32 feet; thence N89°43'39"E for 38.59 feet to the True Point of Beginning;

Said parcel contains 1797 square feet.

Lot 14, Block 1, Edgewater Subdivision

This parcel contained wholly within Tract B-1, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the NW corner of Lot 14, Block 1, Edgewater Subdivision, said point being the True Point of Beginning; thence S07°16'40"E for a distance of 37.69 feet; thence 0°23'59"E for a distance of 15.14 feet; thence S83°20'03"W for a distance of 44.31 feet; thence N0°03'35"W for a distance of 56.22 feet; thence N87°52'30"E for 39.21 feet to the True Point of Beginning;

Said parcel contains 2304 square feet.

Lot 15, Block 1, Edgewater Subdivision

This parcel contained wholly within Tract B-1, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the NW corner of Lot 15, Block 1, Edgewater Subdivision, said point being the True Point of Beginning; thence $S0^{\circ}23'59''E$ for a distance of 45.27 feet; thence $S83^{\circ}20'05''W$ for a distance of 44.58 feet; thence $0^{\circ}03'35''NW$ for a distance of 45.30 feet; thence $N83^{\circ}20'03''E$ for a distance of 44.31 feet to the True Point of Beginning;

Said parcel contains 2000 square feet.

Lot 16, Block 1, Edgewater Subdivision

This parcel contained wholly within Tract B-1, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the NW corner of Lot 16, Block 1, Edgewater Subdivision, said point being the True Point of Beginning; thence $S0^{\circ}23'59''E$ for a distance of 45.27 feet; thence $S83^{\circ}20'05''E$ for a distance of 44.85 feet; thence $N0^{\circ}03'35''W$ for a distance of 45.30 feet; thence $N83^{\circ}20'05''E$ for a distance of 44.58 feet to the True Point of Beginning;

Said parcel contains 2012 square feet.

Lot 17, Block 1, Edgewater Subdivision

This parcel contained wholly within Tract B-1, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the NW corner of Lot 17, Block 1, Edgewater Subdivision, said point being the True Point of Beginning; thence $S0^{\circ}23'59''E$ for 34.48 feet; thence $N89^{\circ}36'01''W$ for a distance of 23.85 feet; thence $S0^{\circ}12'41''W$ for a distance of 30.00 feet; thence $S89^{\circ}56'25''W$ for a distance of 20.76 feet; thence $N0^{\circ}03'35''W$ for a

distance of 59.46 feet; thence N83°20'05"E for a distance of 44.85 feet to the True Point of Beginning;

Said parcel contains 2054 square feet.

Lot 1, Block 4, Edgewater Subdivision

This parcel contained wholly within Tract B-1, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the SW corner of Lot 1, Block 4, Edgewater Subdivision, said point being the True Point of Beginning; thence N84°31'52"E for a distance of 61.80 feet; thence S01°23'12"E for a distance of 15.11 feet; thence S84°31'52"W for a distance of 104.13 feet; thence N0°03'35"W for a distance of 107.79 feet; thence N89°56'25"E for a distance of 20.76 feet; thence S0°12'41"W for a distance of 30.00 feet; thence S89°47'19"E for a distance of 24.74 feet; thence S01°16'40"W for a distance of 121.61 feet to the True Point of Beginning;

Said parcel contains 7618 square feet.

Lot 2, Block 4, Edgewater Subdivision

This parcel contained wholly within Tract B-1, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the SW corner of Lot 2, Block 4, Edgewater Subdivision, said point being the True Point of Beginning; thence N84°31'52"E for a distance of 37.48 feet; thence S56°33'07"E for a distance of 16.88 feet; thence S09°05'11"W for a distance of 16.47 feet; thence N56°33'07"W for a distance of 18.37 feet; thence S84°31'52"W for a distance of 33.98 feet; thence N01°23'12"E for a distance of 15.11 feet to the True Point of Beginning;

Said parcel contains 800 square feet.

Lot 3, Block 4, Edgewater Subdivision

This parcel contained wholly within Tract B-1, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the most southerly corner of Lot 3, Block 4, Edgewater Subdivision, said point being the True Point of Beginning; thence S30°51'54"E for 15.02 feet; thence N56°33'07"W for a distance of 28.56 feet; thence N09°05'11"W for 16.47 feet; thence S56°33'07"E for a distance of 34.68 feet to the True Point of Beginning;

Said parcel contains 474 square feet.

Lot 4, Block 4, Edgewater Subdivision

This parcel contained wholly within Tract B-1, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Beginning at the most southerly corner of Lot 4, Block 4, Edgewater Subdivision, said point being the True Point of Beginning; thence S30°51'54"W for a distance of 15.02 feet; thence N56°33'07"W for a distance of 54.60 feet; thence N30°51'54"E for a distance of 15.02 feet; thence S56°33'07"E for a distance of 54.60 feet to the True Point of Beginning;

Said parcel contains 819 square feet.

Lot 5, Block 4, Edgewater Subdivision

This parcel contained wholly within Tract B-1, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the most southerly corner of Lot 5, Block 4, Edgewater Subdivision, said point being the True Point of Beginning; thence S31°47'03"W for 15.01 feet; thence N56°33'07"W for 49.73 feet; thence N30°51'54"E for 15.02 feet; thence S56°33'07"E for 49.97 feet to the True Point of Beginning;

Said parcel contains 748 square feet.

Lot 6, Block 4, Edgewater Subdivision

This parcel contained wholly within Tract B-1, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the most southerly corner of Lot 6, Block 4, Edgewater Subdivision, said point being the True Point of Beginning; thence S41°30'18"W for 45.09 feet; thence N44°47'14"W for a distance of 50.78 feet; thence N37°43'39"E for a distance of 45.39 feet; thence S44°47'14"E for a distance of 53.77 feet to the True Point of Beginning;

Said parcel contains 2352 square feet.

Lot 7, Block 4, Edgewater Subdivision

This parcel contained wholly within Tract B-1, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the most southerly corner of Lot 7, Block 4, Edgewater Subdivision, said point being the True Point of Beginning; thence S37°53'43"W for a distance of 45.37 feet; thence N44°47'14"W for a distance of 60.43 feet; thence N41°30'18"E for a distance of 45.09 feet; thence S44°47'14"E for a distance of 57.57 feet to the True Point of Beginning;

Said parcel contains 2655 square feet.

Lot 8, Block 4, Edgewater Subdivision

This parcel contained wholly within Tract B-1, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Beginning at the most southerly corner of Lot 8, Block 4, Edgewater Subdivision, said point being the True Point of Beginning; thence S34°34'24"W for a distance of 45.01 feet; thence S56°24'29"W for a distance of 60.47 feet; thence N37°53'43"E for a distance of 47.19 feet; thence S44°47'14"E for a distance of 10.23 feet; thence S56°24'29"E for a distance of 47.68 feet to the True Point of Beginning;

Said parcel contains 2673 square feet.

Lot 9, Block 4, Edgewater Subdivision

This parcel contained wholly within Tract B-1, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the most southerly corner of Lot 9, Block 4, Edgewater Subdivision, said point being the True Point of Beginning; thence S26°01'50"W for a distance of 30.06 feet; thence N71°44'47"W for a distance of 74.96 feet; thence N34°34'24"E for 45.01 feet; thence S56°24'29"E for a distance of 43.64 feet; thence S67°23'18"E for a distance of 24.45 feet to the True Point of Beginning;

Said parcel contains 2535 feet.

Lot 10, Block 4, Edgewater Subdivision

This parcel contained wholly within Tract B-1, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located

within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the most southerly corner of Lot 10, Block 4, Edgewater Subdivision, said corner being the True Point of Beginning; thence S26°10'50"W for a distance of 30.06 feet; thence N67°24'02"W for a distance of 50.09 feet; thence N26°10'50"E for a distance of 30.06 feet; thence S67°23'18"E for 50.09 feet to the True Point of Beginning;

Said parcel contains 1503 feet.

Lot 11, Block 4, Edgewater Subdivision

This parcel contained wholly within Tract B-1, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the most southerly corner of Lot 11, Block 4, Edgewater Subdivision, said point being the True Point of Beginning; thence S20°28'07"W for 30.02 feet; thence N67°24'02"W for 58.26 feet; thence N26°10'50"E for a distance of 30.06 feet; thence S67°23'18"E for 55.27 feet to the True Point of Beginning;

Said parcel contains 1703 square feet.

Lot 1, Block 3, Edgewater Subdivision

This parcel contained wholly within Tract F-2, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the most northerly corner of Lot 1, Block 3, Edgewater Subdivision, said point being the True Point of Beginning; thence N66°57'00"E for a distance of 4.33 feet; thence S37°56'44"E for 66.87 feet; thence S81°00'00"W for a distance of

20.52 feet; thence N24°36'00"W for a distance of 59.66 feet to the True Point of Beginning;

Said parcel contains 729 square feet.

Lot 2, Block 3, Edgewater Subdivision

This parcel contained wholly within Tract F-2, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the most northerly corner of Lot 2, Block 3, Edgewater Subdivision, said point being the True Point of Beginning; thence N81°00'00"E for 20.52 feet; thence S37°56'44"E for a distance of 44.40 feet; thence S02°26'00"E for 5.88 feet; thence S79°41'26"W for a distance of 35.17 feet; thence N10°07'30"W for a distance of 25.15 feet; thence N24°36'00"W for a distance of 21.14 feet to the True Point of Beginning;

Said parcel contains 1270 square feet.

Lot 3, Block 3, Edgewater Subdivision

This parcel contained wholly within Tract F-2, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the most northerly corner of Lot 3, Block 3, Edgewater Subdivision, said point being the True Point of Beginning; thence N79°41'26"E for 35.17 feet; thence S02°26'E for 46.09 feet; thence S79°57'03"W for 29.01 feet; thence N10°07'30"W for 45.52 feet to the True Point of Beginning;

Said parcel contains 1463 square feet.

Lot 4, Block 3, Edgewater Subdivision

This parcel contained wholly within Tract F-2, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the most northerly corner of Lot 4, Block 3, Edgewater Subdivision, said point being the True Point of Beginning; thence S79°57'03"W for a distance of 29.01 feet; thence S02°26'00"E for a distance of 49.31 feet; thence S81°00'00"W for a distance of 22.41 feet; thence N10°07'30"E for a distance of 48.47 feet to the True Point of Beginning;

Said parcel contains 1252 square feet.

Lot 5, Block 3, Edgewater Subdivision

This parcel contained wholly within Tract F-2, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the most northerly corner of Lot 5, Block 3, Edgewater Subdivision, said point being the True Point of Beginning; thence N81°00'00"E for 22.41 feet; thence S02°26'00"E for a distance of 8.46 feet; thence S18°33'14"W for a distance of 56.83 feet; thence N24°03'48"W for a distance of 15.79 feet; thence N18°42'30"E for a distance of 20.33 feet; thence N10°07'30"W for a distance of 25.55 feet to the True Point of Beginning;

Said parcel contains 777 square feet.

Lot 7, Block 3, Edgewater Subdivision

This parcel contained wholly within Tract G-2, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the northeast corner of Lot 7, Block 3, Edgewater Subdivision, said point being the True Point of Beginning; thence S66°59'08"E for a distance of 10.05 feet; thence S18°42'30"W for a distance of 49.70 feet; thence N64°30'04"W for a distance of 13.96 feet; thence N36°29'00"E for a distance of 12.59 feet; thence N18°42'30"E for a distance of 36.81 feet to the True Point of Beginning;

Said parcel contains 520 square feet.

Lot 8, Block 3, Edgewater Subdivision

This parcel contained wholly within Tract G-2, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the most easterly corner of Lot 8, Block 3, Edgewater Subdivision, said point being the True Point of Beginning; thence S64°30'04"E for a distance of 13.96 feet; thence S18°42'30"E for a distance of 47.08 feet; thence N63°22'16"W for a distance of 28.80 feet; thence N36°29'00"E for a distance of 47.05 feet to the True Point of Beginning;

Said parcel contains 987 square feet.

Lot 9, Block 3, Edgewater Subdivision

This parcel contained wholly within Tract G-2, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the most easterly corner of Lot 9, Block 3, Edgewater Subdivision, said point being the True Point of Beginning; thence S63°22'16"E for 28.50 feet; thence S18°42'30"E for a distance of 54.32 feet; thence N60°00'00"W for 44.95 feet; thence N36°29'00"E for 51.92 feet to the True Point of Beginning;

Said parcel contains 1926 square feet.

Lot 15, Block 3, Edgewater Subdivision

This parcel contained wholly within Tract G-2, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the most northerly corner of Lot 15, Block 3, Edgewater Subdivision, said point being the True Point of Beginning; thence N20°04'04"E for 55.68 feet; thence S46°33'40"E for 48.75 feet; thence S15°30'00"W for a distance of 37.61 feet; thence N67°33'18"W for a distance of 47.76 feet to the True Point of Beginning;

Said parcel contains 2139 square feet.

Lot 16, Block 3, Edgewater Subdivision

This parcel contained wholly within Tract G-2, Edgewater Subdivision, Plat 92-32, Anchorage Recording District, located within the E 1/2 of the SE 1/4 of Section 23, T 12 N, R 4 W, S.M., Alaska, more particularly described as follows:

Commencing at the most northerly corner of Lot 16, Block 3, Edgewater Subdivision, said point being the True Point of Beginning; thence N15°30'00"E for a distance of 37.61 feet; thence S46°33'40"E for a distance of 49.96 feet; thence S14°05'20"W for a distance of 18.85 feet; thence N68°33'18"W for a distance of 44.84 feet to the True Point of Beginning;

Said parcel contains 1249 square feet.

Return to:

McNell & Rankine, P.C.
1029 West Third Avenue, Ste 100
Anchorage, Alaska 99501

92-039492
231-CC
ANCHORAGE REC.
DISTRICT
REQUESTED BY McNell & Rankine

'92 SEP 8 PM 2 33

ANCHORAGE RECORDING DISTRICT

FIRST AMENDMENT TO THE DECLARATION

FOR

EDGEWATER
(A Planned Community)Preamble

This Amendment of the Declaration for Edgewater (A Planned Community) (hereafter "the Declaration") is made by Edgewater, Inc., an Alaskan Corporation, the Declarant under the Declaration.

The purpose of this Amendment is to correct the property description of the real property subject to the Declaration, which property description is found in the Preamble of the Declaration and in Article III of the Declaration. Said Declaration was recorded September 8, 1992, in Book 02313 at Page 903, Anchorage Recording District, Third Judicial District, State of Alaska.

This Amendment is made by the Declarant pursuant to Article XII, Section 12.1 of the Declaration. This Amendment replaces the original Declaration above-described with respect to the original Preamble and Article number set forth below. All other terms and conditions of the Declaration remain unchanged. In the event of a conflict between this Amendment and the Declaration, this Amendment controls.

1. The Preamble of the Declaration of Edgewater (A Planned Community) is amended to read as follows:

EDGEWATER, INC., AN ALASKA CORPORATION, with an office in Anchorage, Alaska, hereby submits the following described real property in Anchorage, Alaska to the provisions of the Common Interest Ownership Act, Chapter 34.08 of the Alaska Statutes, for the purpose of creating Edgewater, a planned community:

Lots One (1) through Seventeen (17), Block One (1); Lots One (1) through Fourteen (14), Block Two (2); Lots One (1) through Sixteen (16), Block Three (3); Lots One (1) through Eleven (11), Block Four (4); Tracts B-1, B-2, C-1, D-1, E-1, F-2, G-2, H-2

A resubdivision of Edgewater P.U.D. Subdivision (P86-237) Lots 18-34, Block 1; Lots 10-23, Block 2; Lots 10-24, Block 3; Tracts F-1, G-1, H-1; and Edgewater P.U.D. Subdivision (P84-510) Lots 13A, 13B, 13C, 13D, 14A, 14B, 14C, 14D, 14E, 14F, 15A, 15B, 16A, 16B, 16C, 16D, 17A, 17B, 17C, 17D, Block 1, Tracts B, C, D, E

Located within the E $\frac{1}{2}$, SE $\frac{1}{2}$, Sec. 23, T12N, R4W, Seward Meridian, Anchorage Recording District, Third Judicial District, State of Alaska, containing 15.793 acres.

Declarant submits the above-described property to the provisions of the Uniform Common Interest Ownership Act for the purpose of making improvements as shown on the development plan attached the Declaration as Exhibit "C".

2. Article III of the Declaration is amended to read as follows:

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 as follows:

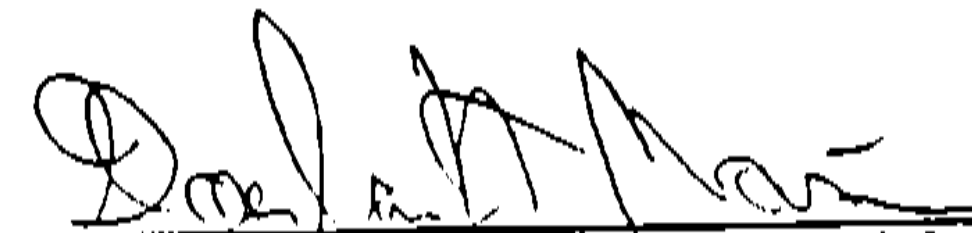
Lots One (1) through Seventeen (17), Block One (1); Lots One (1) through Fourteen (14), Block Two (2); Lots One (1) through Sixteen (16), Block Three (3); Lots One (1) through Eleven (11), Block Four (4); Tracts B-1, B-2, C-1, D-1, E-1, F-2, G-2, H-2

A resubdivision of Edgewater P.U.D. Subdivision (P86-237) Lots 18-34, Block 1; Lots 10-23, Block 2; Lots 10-24, Block 3; Tracts F-1, G-1, H-1; and Edgewater P.U.D. Subdivision (P84-510) Lots 13A, 13B, 13C, 13D, 14A, 14B, 14C, 14D, 14E, 14F, 15A, 15B, 16A, 16B, 16C, 16D, 17A, 17B, 17C, 17D, Block 1, Tracts B, C, D, E

Located within the E $\frac{1}{2}$, SE $\frac{1}{2}$, Sec. 23, T12N, R4W, Seward Meridian, Anchorage Recording District, Third Judicial District, State of Alaska, containing 15.793 acres.

IN WITNESS WHEREOF, the Declarant has caused this Amendment to Declaration to be executed this 31st day of December, 1992.

EDGEWATER, INC.

By: 
Douglas H. Main, President

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

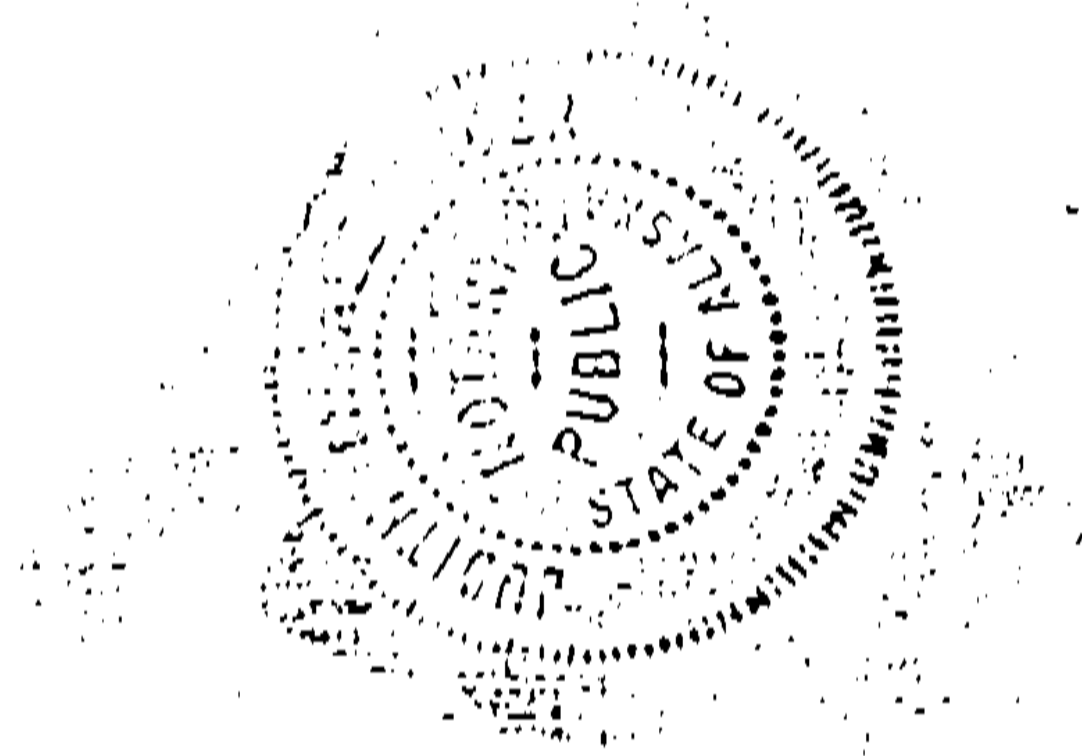
THIS IS TO CERTIFY that on this 31st day of December, 1992, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared DOUGLAS H. MAIN, known to me to the President of EDGEWATER, INC. and known to me to be the individual named in and who executed the foregoing document and he acknowledged to me that he executed the foregoing document as his free and voluntary act and deed and that he was authorized to execute the foregoing document on behalf of EDGEWATER, INC. for the uses and purposes therein set forth.

WITNESS my hand and notarial seal the day and year first hereinabove written.

Judith M. Alexander
Notary Public in and for Alaska
My Commission Expires: 3-5-94

AFTER RECORDING, RETURN TO:

MCNALL & ASSOCIATES
921 WEST SIXTH AVENUE, SUITE 100
ANCHORAGE, ALASKA 99501-2044



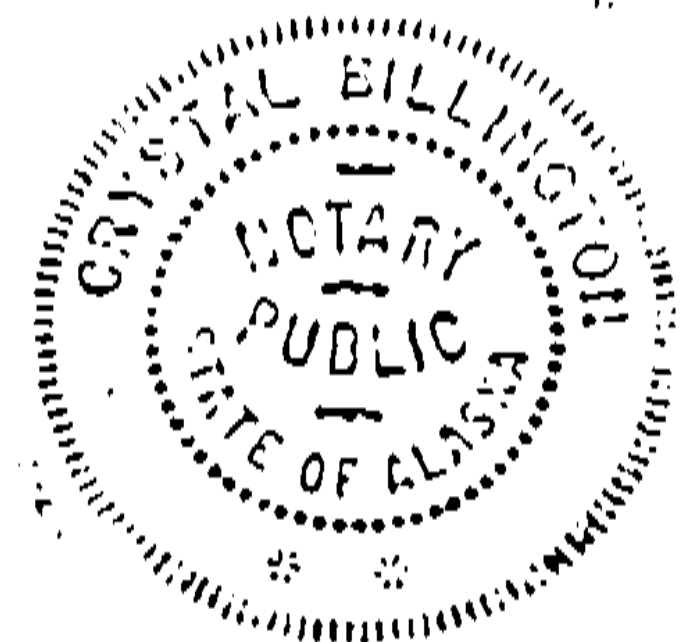
93-007768
21-cc

ANCHORAGE REC. DISTRICT
REQUESTED BY McNall & Assoc.

'93 FEB 19 PM 12 10

WITNESS my hand and notarial seal the day and year first
above written.

Crystal Billington
Notary Public in and for Alaska
My commission expires: 2-15-05



After recording, please return to:

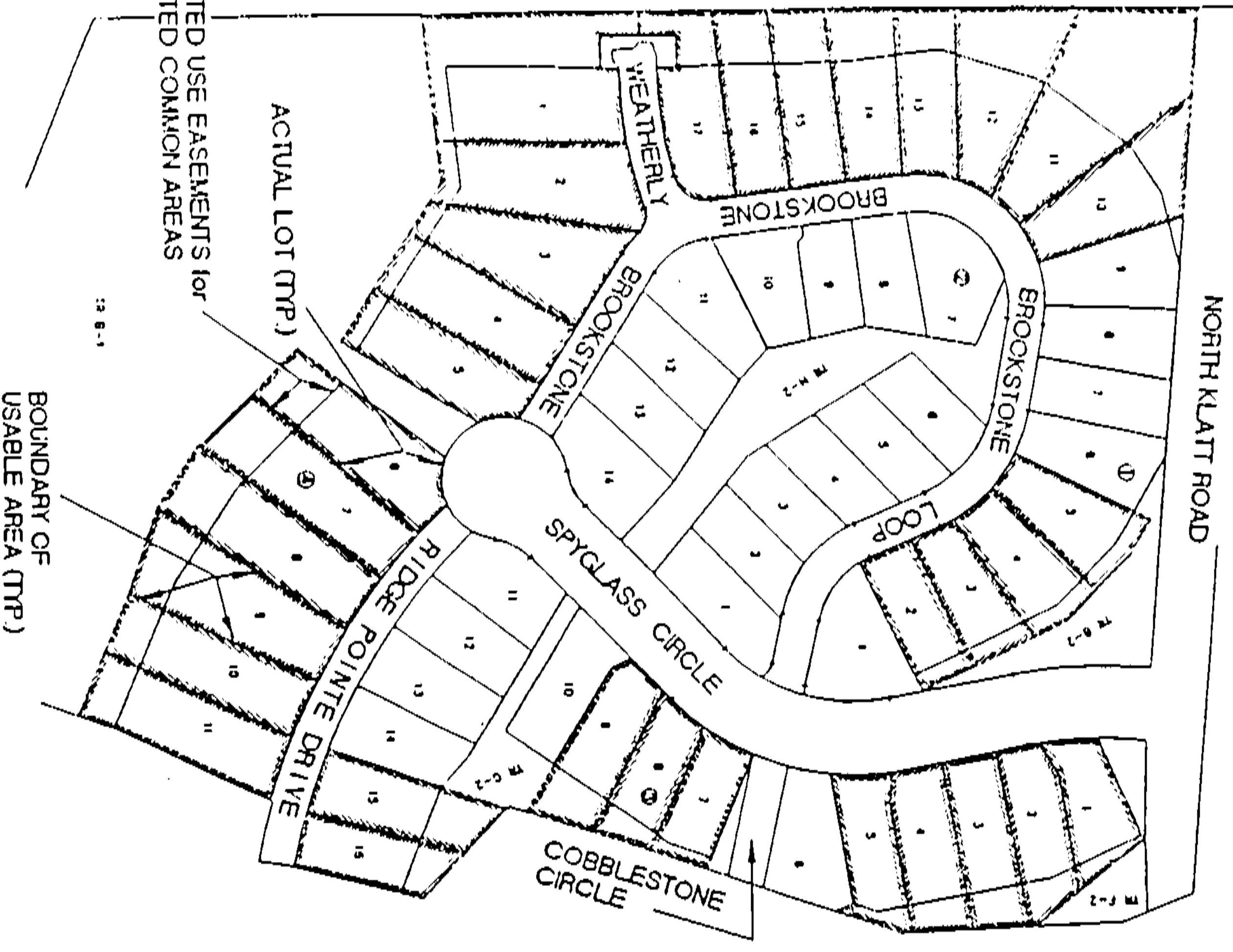
McNall & Associates, P.C.
921 W. 6th Avenue, Suite 100
Anchorage, AK 99501-2044

LIMITED USE EASEMENTS for
LIMITED COMMON AREAS

BOUNDARY OF
USABLE AREA (TYP)

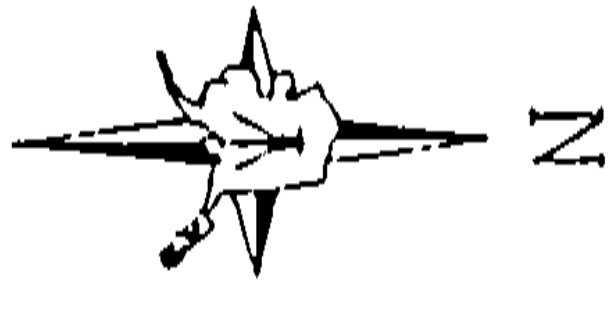
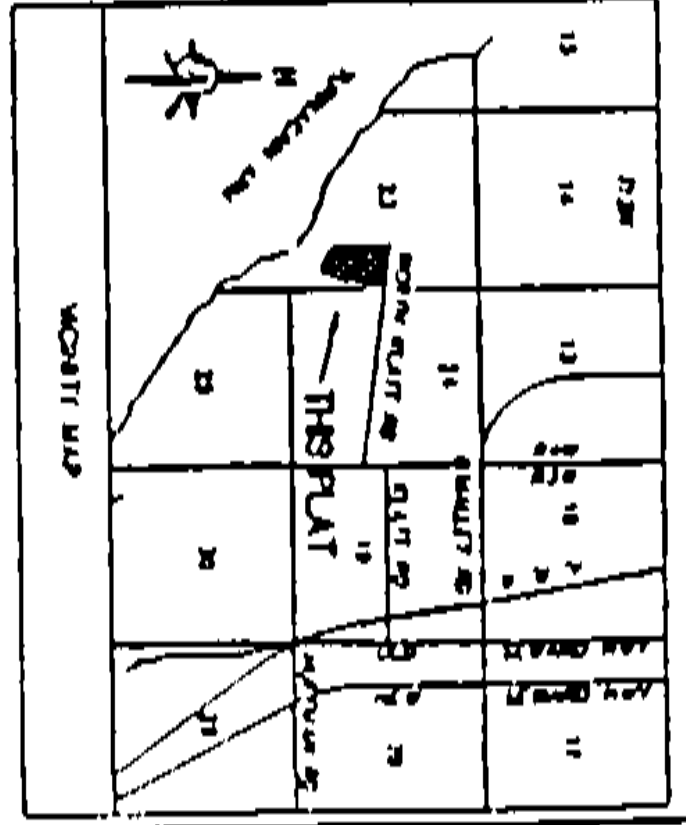
1:2 8-1

ACTUAL LOT (TYP)



AREA TABLE

BLOCK	LOT	LOT AREA SF	EXCLUSIVE USE ESMT. AREA SF	TOTAL USABLE AREA SF
1	1	6435		6435
1	2	4548	618	3223
1	3	4849	925	3475
1	4	5179	922	6101
1	5	5575	1687	6662
1	6	5085		5653
1	7	5212		5212
1	8	5259		5259
1	9	5804		5804
1	10	6032	2815	8647
1	11	5853	8741	15594
1	12	5121	4522	9843
1	13	4692	1797	6489
1	14	4772	2304	7016
1	15	4583	2000	6553
1	16	4785	2312	6799
1	17	5552	2534	7606
2	1	5728		5728
2	2	4048		4048
2	3	4218		4218
2	4	4418		4418
2	5	4700		4700
2	6	4514		4514
2	7	5859		5859
2	8	4325		4325
2	9	3958		3958
2	10	4978		4978
2	11	5010		5010
2	12	5085		5085
2	13	4923		4923
2	14	5585		5585
2	15	4875	729	5404
3	1	4924	1270	6194
3	2	4945	1483	6409
3	3	5082	1252	6304
3	4	4869	777	5646
3	5	5758		5758
3	6	4452	520	4972
3	7	4439	987	5426
3	8	5506	1926	6932
3	9	5287		5287
3	10	5288		5288
3	11	5420		5420
3	12	5420		5420
3	13	5176		5176
3	14	4557	2139	7896
3	15	4134	1248	5403
4	1	8261	7818	15979
4	2	8538	800	9605
4	3	7551	474	9012
4	4	6834	819	8373
4	5	7048	748	7582
4	6	7052	2352	9409
4	7	7338	2653	9707
4	8	7925	2872	10009
4	9	5727	2535	10463
4	10	7475	1503	8230
4	11		1703	9178



EDGEWATER SUBDIVISION
LIMITED USE EASEMENTS for
LIMITED COMMON AREAS

LOUNSBURY & ASSOCIATES, INC.
SURVEYORS-PLANNERS-ENGINEERS
723 E. 8th AVE. ANCHORAGE, ALASKA 99501
(907) 373-5431

DATE: MAY 17, 1991 BY: R-03 SCALE: 1" = 50'
DOW: R-03 SHEET NO. 1 OF 1
JOB NO.: 1703

93- 051146

2100

ANCHORAGE REC. DISTRICT

REQUESTED BY

McNally

'93 SEP 13 AM 10 07

Associate