

are Limited Common Elements allocated exclusively to the Unit, and their use is limited to that Unit; and

(c) A chimney, the use of which is limited to the Unit in which its fireplace is located, is a Limited Common Element.

Section 5.4. Reallocation of Limited Common Elements. Limited Common Elements may not be reallocated by Unit Owners.

ARTICLE VI. Conveyance or Encumbrance of Common Elements.

Section 6.1. Homeowner Approval. Portions of the Common Elements, except Limited Common Elements, may be conveyed or subjected to a security interest by the Association if persons entitled to cast at least eighty percent (80%) of the votes in the Association, including eighty percent (80%) of the votes allocated to Units not owned by the Declarant, agree to this action. Each owner of a Unit to which a Limited Common Element is allocated must agree in order for the Limited Common Element allocated to that Unit to be conveyed or subjected to a Security Interest by the Association.

Section 6.2. Proceeds of Sale or Loan. The proceeds of a sale and proceeds of a loan secured by encumbering a Common Element are an asset of the Association.

Section 6.3. Form of Conveyance and Ratification. An agreement to convey Common Elements or to subject the Common Elements to a security interest must be evidenced by the execution of an agreement, or ratification of the agreement, in the same manner as a deed by the requisite number of Unit Owners. The agreement must specify a date after which the agreement will be void unless recorded before that date. The agreement is effective only upon recording.

Section 6.4. Association Contract to Convey. The Association on behalf of the Unit Owners may contract to convey an interest in Common Elements as provided in this Article, but the contract is not enforceable against the Association until approved as required herein. After approval, the Association has the powers necessary and appropriate to effect the conveyance or encumbrance, including the power to execute a deed or other instrument.

ARTICLE VII. Maintenance, Repair, and Replacement.

Section 7.1. Common Elements and Limited Common Elements. The Association shall maintain, repair, and replace all of the Common Elements of Creekside Townhomes, including snow removal. The Unit Owners are responsible for:

- (a) snow removal from their balconies (if any); and
- (b) replacement of lost mailbox keys.



Section 7.2. Units. Each Unit Owner shall maintain, repair, and replace, at his or her own expense, all portions of his or her Unit. If a Unit Owner fails to maintain and repair his or her own Unit to the standards established by the Association's Rules, the Association may, after Notice and Hearing, repair or maintain the Unit as needed to bring it up to Association standards and assess the Unit Owner for the expenses of such repairs or maintenance as provided in Section 7.4.

Section 7.3. Access. Any person authorized by the Executive Board has the right to access all portions of the Property for the purpose of correcting any condition threatening a Unit, the Limited Common Elements or the Common Elements and for the purpose of performing installations, alterations or repairs, and for the purpose of reading, repairing, and replacing utility meters and related pipes, valves, wires, and equipment, 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 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 7.4. Allocation of Costs of Repairs and Maintenance. Each Unit Owner will reimburse the Association for any costs, including insurance deductibles, incurred by the Association due to damage to any Unit or its appurtenant Limited Common Elements, 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 or appurtenant Limited Common Elements. Such expense will be assessed following Notice and Hearing. 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, not including the Limited Common Elements which are the responsibility of the Unit Owners.

ARTICLE VIII. Development Rights and Special Declarant Rights.

Section 8.1. Reservation of Development Rights. The Declarant reserves the following Development Rights:

(a) The right by amendment to add Units and Common Elements in the location shown as "Development Rights Reserved" on the Plans, and which is identified in Exhibit 2.

(b) *[Intentionally left blank.]*

(c) The right to add additional property to the Common Interest Community and to add Units and Common Elements within that parcel. The property that may be added is the following parcel:

Lot 2A, TOOMEY SUBDIVISION, according to the official plat thereof, filed under Plat Number 82-120,

(b) Liability for the Common Expenses. Each Unit in the Common Interest Community shall have an equal percentage of liability for Common Expenses. As a result, the percentage of liability for Common Expenses for each Unit is determined by dividing the total number of Units into 100. Nothing contained in this Subsection shall prohibit certain Common Expenses from being apportioned to particular Units under Article XVII of this Declaration.

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

Section 9.3. 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 9.1 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 X. Restrictions on Use, Alienation, and Occupancy.

Section 10.1. Use Restrictions. Subject to the Special Declarant Rights reserved under Article VIII of this Declaration, each Unit is restricted to residential use for a single family including, therein, 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. Residential use for a single family is defined as a single housekeeping unit, operating on a non-profit, non-commercial basis between its occupants, cooking and eating with a common kitchen and dining area, with no more than two (2) overnight occupants per bedroom.

Section 10.2. Occupancy Restrictions. Subject to the Special Declarant Rights reserved under Article VIII of this Declaration, the following occupancy restrictions apply to the Units and the Common Elements:

(a) All Unit Owners shall maintain their Units in a clean and well-maintained condition. Trash may not be stored outside and must be regularly placed in the trash bins designated for that purpose. The Executive Board may regulate or prohibit the storage of any type of material on the balconies in order to preserve the overall appearance of the Property.

(b) No nuisances shall be allowed on the Property, nor shall any use be made or practice be maintained by any Unit Owner or tenant of a Unit Owner that shall interfere with the quiet enjoyment of the Property by other Unit Owners and residents. The Executive Board, after Hearing and Comment, may further define the definition of "nuisance" in the rules of the Association.

(c) Exterior parking is for use by Unit Owners, tenants, and guests. Units will have assigned parking. The Association has the right to adopt restrictions and limitations on the use of unit parking and of guest area parking. Exterior parking is not reserved. The Executive



Board may regulate the use of exterior parking space. There shall be no automotive repair conducted in the open at Creekside Townhomes. Recreational vehicles may not be parked or stored anywhere on Creekside Townhomes. Only licensed and operating vehicles may be parked or stored on the parking spaces.

(d) No animals, livestock, or poultry shall be kept in any Unit, except that domestic dogs, cats, fish, and birds may be kept as household pets within the Unit, provided they are not kept, bred, or raised for commercial purposes or in unreasonable quantities. As used in this Declaration, "unreasonable quantities" shall be deemed to limit the total number of pets to three (3), of which no more than two (2) may be cats or dogs. The Executive Board may, after Notice and Hearing, further limit the sizes and types of dogs, if sizes and types of dogs become a problem for the Association and may make exceptions as to the types of pets permitted on a case-by-case basis. Furthermore, the Executive Board may prohibit the maintenance of any animal that constitutes a nuisance to any other Unit Owner. Dogs and cats belonging to Unit Owners, occupants of Units, or their licensees or invitees, must be kept within the Unit except that they may be taken out of the Unit on a leash held by a person capable of controlling the animal. Should any dog or cat be found outside of the Unit, other than on a leash being held by a person capable of controlling the animal, the animal may be removed by Declarant or any person authorized by the Executive Board to remove the dog or cat from the Property. The dog or cat removed shall be taken to the Municipality of Anchorage animal shelter and, if its owner is known, the Association shall notify the owner of the animal's location. The owner of any pet visiting or residing on the Property shall be absolutely liable to all other Unit Owners, their families, guests, and invitees for any damage to persons or property caused by the pet. Owners of pets are responsible for removing their pets' waste from the Common Elements of Creekside Townhomes.

(e) The use of Units and Common Elements is further subject to the Bylaws and the Rules of the Association.

Section 10.3. Restrictions on Alienation. A Unit may not be conveyed pursuant to a time-sharing plan. A Unit may not be leased or rented for a term of less than thirty (30) days. All leases and rental agreements shall be in writing and subject to the requirements of the Documents and the Association. A copy of all leases or rental agreements must be given to the Association. All leases and rental agreements must contain a provision that gives the Association the power to enforce a violation of the Documents against tenant so long as the Association first gives notice to the Unit Owner of its intent do so and gives Unit Owner a reasonable opportunity to remedy the violation. The Association's right to enforce violations of the Documents against a tenant does not limit the Association's right to take action against the Unit Owner for the tenant's violations of provisions of the Documents. This Declaration does not impose any right of first refusal or similar restriction on a Unit Owner's right to sell or convey a Unit.

Section 10.4. Fences in Backyards. Each backyard is the Limited Common Element of the Unit it sits behind as depicted on the Plans. Unit Owners may construct fences around the perimeter of the backyard assigned to their Unit. Any fences built by Unit Owners must comply



with applicable local, state, and federal laws. Unit Owners must obtain the permission of the Executive Board to construct a fence. If built, fences must be maintained by the Unit Owner as an attractive addition to the Common Interest Community. Metal or chain-link fences are not permitted. Declarant makes no guarantees that the Municipality of Anchorage will allow Unit Owners to construct fences. At a minimum, the Executive Board must require Unit Owners prior to constructing fences to:

- (a) prove to the satisfaction of the Executive Board that the fence will not encroach on neighboring other Common Elements or Limited Common Elements;
- (b) obtain utility locations to avoid damaging utilities during construction;
- (c) obtain any permission necessary from utilities; and
- (d) submit drawings, photographs, plans, or other descriptions that will allow the Executive Board to determine that the fence will be an attractive addition to the Unit.

ARTICLE XI. Easements and Licenses.

Section 11.1. Easement for Ingress and Egress Through Common Elements. Each Unit Owner has an easement in common with each other Unit Owner for ingress and egress through all Common Elements, subject to such reasonable rules, regulations, and restrictions as may be imposed by the Association. Each Unit is hereby burdened with and subjected to an easement for ingress and egress through all Common Elements by persons lawfully using or entitled to the same.

Section 11.2. Easements for Support. Each Unit and Common Element shall have an easement for lateral and subjacent support from every other Unit and Common Element.

Section 11.3. Easements for Encroachments. In the event any portion of the Common Elements encroaches on any Unit or any Unit encroaches on the Common Elements or another Unit as a result of the construction, reconstruction, repair, shifting, settlement, or movement of any portion of the Improvements, a valid easement for the encroachment and for the maintenance of the same shall exist so long as the encroachment exists.

Section 11.4. Recorded Easements and Licenses. All recorded easements or licenses to which the Common Interest Community is presently subject are recited in Exhibit 3 to this Declaration or are shown on the Plat and Plans.

