

the Storm Drainage System must be improved to the Municipality of Anchorage standards in force at that time.

(v) Security Systems

All residences are encouraged but not required to be equipped with security systems.

(w) Mailboxes and Newspaper Tubes

Lot Owners shall use the mailboxes approved by the U.S. Postal Service. Materials and location of each individual mail box shall be subject to the approval of the Appropriate Committee. Newspaper stands and receptacles are not permitted on Lots.

(x) Architectural Control Standards

All Lots in the Common Interest Community are subject to Architectural Controls set forth in Article IX of this Declaration.

Section 7.02. Restrictions on Alienation. A Lot may not be conveyed pursuant to a time-sharing arrangement described in AS 34.08.990(31).

ARTICLE VIII
COMMON EXPENSE ASSESSMENT AND COLLECTION

Section 8.01. Assessment for Common Expenses. Except as provided in Section 8.02 hereof, any Common Expenses shall be assessed against all Lots in accordance with their percentage interest in the Common Expenses. See Table of Interest, attached as Schedule A-3.

Section 8.02. Apportionment of Common Expenses to Less Than All Lots.

- (a) Any Common Expenses for services provided by the Association for the benefit of an individual Lot at the request of the individual Lot Owner shall be assessed against said Lot.
- (b) An assessment to pay a judgment against the Association may be made only against the Lots in the Common Interest Community at the time judgment was entered, in proportion to their

percentage interests in the Common Expenses at the time judgment was entered.

- (c) Any fees, charges, late charges, fines, collection costs, and interest charged against a Lot Owner pursuant to this Declaration and the Act are enforceable as Common Expense Assessments.

Section 8.03. Lien for Assessment. The Association shall have a lien, according AS 34.08.470, on a Lot for any assessment levied against the Lot and/or for any fines, fees, charges, late charges, collection costs, and/or interest imposed against the Lot Owner from the time any such assessment or fines, fees, charges, late charges, collection costs, and/or interest become due.

ARTICLE IX ARCHITECTURAL CONTROLS

Section 9.01. General. No structure shall be placed, erected, or installed upon any Lot, and no improvements (including staking, clearing, excavation, grading and other site work, exterior alteration of existing improvements, and planting or removal of landscaping materials) shall take place except in compliance with the provisions of Articles VII and IX of this Declaration and the approval of the Appropriate Committee under Section 9.02.

Any Lot Owner may remodel, paint or redecorate the interior of structures on his Lot without approval of the Appropriate Committee. However, modifications to the exterior of the dwelling or of other structures on the Lot or the interior of screened porches, patios, and similar portions of a dwelling visible from outside shall be subject to approval by the Appropriate Committee.

Pursuant to Declarant's development rights and in Declarant's sole discretion, Declarant may repeal, modify, or amend in any way the provisions of Articles VII and/or IX after the initial recordation of the Declaration for any Lots and/or Common Elements not yet conveyed to a purchaser other than a Builder, Dealer, or Declarant.

Section 9.02. Architectural Review. Responsibility for administration of the architectural standards and review of all applications for construction and modifications shall be handled by the Appropriate Committee as described below in subsections

(a) and (b). The members of the Committees need not be Lot Owners or representatives of Lot Owners, and may, but need not, include architects, engineers or similar professionals.

(a) Initial Construction Committee. The Initial Construction Committee ("ICC") shall consist of one to three persons and shall have exclusive jurisdiction over all original construction on any portion of the Common Interest Community. The initial ICC shall be composed of Mitch Kean, Robert D. Klein, Jr., and Paul M. Palmer. Until one hundred percent (100%) of the Common Interest Community has been developed and conveyed to Lot Owners other than Builders or Dealers, the Declarant retains the right to appoint all members of the ICC who shall serve at the Declarant's discretion. There shall be no surrender of this right prior to that time except in a written instrument in recordable form executed by Declarant. Upon expiration of such right, the Executive Board shall appoint the members of the ICC, who shall serve and may be removed in the Executive Board's discretion.

Any dispute over ICC approval of plans for construction of the first dwelling on a Lot shall be decided by arbitration in accordance with Section 12.06.

(b) Modification Committee. The Executive Board may establish a Modification Committee ("MC") to consist of at least three and no more than five persons, all of whom shall be appointed by and shall serve at the discretion of the Executive Board. The MC, if established, shall have exclusive jurisdiction over modifications, additions, or alterations made on or to existing structures on Lots, including fences, landscaping, and site grading. The MC is responsible for the enforcement of architectural standards on any given Lot in the subdivision after the completion of construction of the dwelling on that Lot. The design or color scheme of the proposed improvements or alterations shall be controlled by the MC to insure harmony through out the Subdivision. However, this provision shall not be held to require approval to repaint a dwelling with substantially the same color scheme. The compensation of the members of the MC, if any, shall be established from time to time by the Executive Board. The Executive Board may establish and charge reasonable fees for review of applications hereunder and may require such fees to be paid in full prior to review.

Until the MC is formed, the ICC will assume the functions of the MC.

Section 9.03. Procedure to Obtain Committee Approval. Requests for approval by either the ICC or MC shall be submitted in writing according to the specific procedure and on the forms established by these Committees. The approval or disapproval by these Committees of a request shall be in writing. In the event the Committees, or their designated representative fail to approve or disapprove a request within thirty (30) days after plans and specifications have been properly submitted, the proposal shall be deemed approved. Notification may be delivered orally, but must be followed with written confirmation.

All plans and documents submitted to these Committees will be retained in their files.

No dwelling, structure, or other improvement (including regrading of the site) shall be constructed, placed, erected, repainted, altered or made without the express written approval of the ICC or MC. Failure to obtain the approval of the ICC prior to making an improvement to the land or dwelling shall give the ICC the right to bring a legal action at law or in equity against the wrongdoer and assess the Lot Owner \$100.00 per day. Similarly, when the MC has jurisdiction over the approval process, if a Lot Owner fails to obtain the MC's approval before commencing a modification, the Association may levy an assessment of \$100.00 per day against the Lot Owner for each day following commencement of construction until the MC approval is obtained to assess the Lot Owner \$100.00 per day, and the Association may bring a legal action at law or in equity against the wrongdoer.

Decisions of the MC may be appealed to the Executive Board. Appeals must be taken to the Board by written notice to the Board not more than thirty (30) days following receipt of the final decision of the MC.

Section 9.04. Committee Approval.

(a) In reviewing each submission, the ICC or MC, as appropriate, shall consider the plans, specifications and plot plan for (i) quality of workmanship and materials, (ii) harmony of external design with existing structures, (iii) location with respect to topography and finished grade elevation, and (iv) compliance with the land use provisions of Article VII.. The committees may require relocation of native plants within the construction site as a condition of approval of any submission.

The ICC or the MC, as appropriate, shall, within thirty (30) days after receipt of each submission of the Plans, advise the party submitting the same, in writing, at an address specified by such party at the time of submission, of (i) the approval of Plans, or (ii) the segments or features of the Plans which are deemed by such committee to be inconsistent or not in conformity with this Declaration and/or the Design Guidelines, the reasons for such finding, and suggestions for the curing of such objections. In the event the Appropriate Committee fails to advise the submitting party by written notice within the time set forth above of either the approval or disapproval of the Plans, approval shall be deemed to have been given. Notice shall be deemed to have been given at the time the envelope containing such notice, properly addressed, and postage prepaid, is deposited with the U.S. Postal Service, registered or certified mail, return receipt requested. Personal delivery of such written notice shall, however, be sufficient and shall be deemed to have been given at the time of delivery.

Section 9.05. No Waiver of Future Approvals. Each Owner acknowledges that the members of the ICC and the MC will change from time to time and that interpretation, application and enforcement of the Design Guidelines may vary accordingly. Approval of proposals, plans and specifications, or drawings for any work done or proposed, or in connection with any other matter requiring approval, shall not be deemed to constitute a waiver of the right to withhold approval as to any similar proposals, plans and specifications, drawings, or other matters subsequently or additionally submitted for approval.

Section 9.06. Variance. The ICC may authorize variances from compliance with any of its guidelines and procedures when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations, require, but only in accordance with duly adopted rules and regulations. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (a) be effective unless in writing; (b) be contrary to this Declaration; or (c) estop the ICC from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, the cost of compliance, or the terms of any financing shall not be considered a hardship warranting a variance.

Section 9.07. Limitation of Liability. Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only and neither the ICC nor the MC shall bear any responsibility for ensuring the

structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes and other governmental requirements. Neither the Declarant, the Association, the Board, any committee, or member of any of the foregoing shall be held liable for any injury, damages, or loss arising out of the manner or quality of approved construction or modifications to any Unit.

ARTICLE X
EASEMENTS AND LICENSES

Section 10.01. Recording Data. All easements and licenses to which the Common Interest Community is presently subject are recited in Schedule A-4. In addition, the Common Interest Community may be subject to other easements or licenses granted by the Declarant pursuant to Article V of this Declaration.

ARTICLE XI
AMENDMENTS

Section 11.01. General. Except in cases of amendments that are executed by the Declarant in the exercise of its development rights or as otherwise provided by the Declaration or the Act, this Declaration, including the Plats and Plans, may be amended only by vote or agreement of Lot Owners of Lots to which at least sixty seven percent (67%) of the votes in the Association are allocated.

Section 11.02. Declarant Rights. Provisions in this Declaration reserving Declarant rights may not be amended without the consent of Declarant.

If, in Declarant's exercise of any rights described in Article V of this Declaration, an amendment to the Declaration is required, the Declarant shall, in conformance with the Act, prepare, execute, and record an amendment to the Declaration and amend any required Plat and/or other required exhibits. Any amendment effected by Declarant's exercise of rights reserved in Article V requires Declarant approval only.

ARTICLE XII
MISCELLANEOUS

Section 12.01. Changes in Act. In the future and from time to time, in all instances where this Declaration or the Bylaws contain language that tracks the Act on the date that SkyHills Subdivision is created, this Declaration and the Bylaws shall be automatically amended in accordance with the amended

cognate language of the Act which may be adopted by the State of Alaska, unless the particular language of the Declaration or Bylaws, either as initially adopted or as amended at any subsequent time by the Association, is clearly to supersede the amended text of the Act.

Section 12.02. Captions. The captions contained in the Declaration are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of the Declaration nor the intent of any provision thereof.

Section 12.03. Waiver. No provision contained in the Declaration 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 12.04. Invalidity. The invalidity of any provision of the Declaration 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 Declaration shall continue in full force and effect.

Section 12.05. Conflict. The Declaration, the Bylaws, and the Articles of Incorporation are intended to comply with the requirements of the Act and Title 10, Chapter 20 of the Alaska Statutes (Non Profit Corporation Law). In the event of any conflict between these 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 documents, this Declaration shall control.

Section 12.06. Arbitration. Any dispute over ICC approval of plans for construction of the first dwelling on a Lot shall be decided by arbitration. An aggrieved party seeking arbitration shall notify the ICC. The parties shall attempt to select a retired local judge to arbitrate the dispute. If the parties cannot agree on the name of a retired local judge, each party to such a dispute shall select and pay for an arbitrator of its choice to act as an arbitrator. These arbitrators shall select a third arbitrator whose costs shall be shared equally by the parties. The arbitration shall proceed at the earliest possible time, and the arbitrators are encouraged to render their decision within twenty-four (24) hours of the conclusion of the arbitration proceeding, including in their decision an award of cost and attorney fees to the prevailing party.

Any dispute that the parties agree to subject to arbitration shall follow the above procedure.

ARTICLE XIII
MORTGAGE PROTECTION

Section 13.01. 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 13.02. 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 Lots which in the aggregate have allocated to them such specified percentage of votes in the Association when compared to the total allocated to all Lots then subject to Security Interests held by Eligible Mortgagees.

Section 13.03. 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 exceeding \$10,000 which affects a portion of the Common Interest Community or any Lot in which there is a first Security Interest held, insured, or guaranteed by such Eligible Mortgagee or Eligible Insurer, as applicable;
- (b) Any delinquency in the payment of Common Expense assessments owed by an Owner whose Lot 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 13.04; and
- (e) Any judgment rendered against the Association.

Section 13.04. Consent Required.

(a) Document Changes. Notwithstanding any lower requirement permitted by this Declaration or the Act, no amendment of any material provision of the Documents by the Association or Unit Owners described in this Subsection may be effective without the vote of at least sixty-seven percent (67%) of the Lot Owners (or any greater Lot Owner vote required in this Declaration or the Act) and until approved in writing by at least fifty-one percent (51%) of the Eligible Mortgagees (or any greater Eligible Mortgagee approval required by this Declaration). The foregoing approval requirements do not apply to amendments effected by the exercise of any Development Right. Material includes, but is not limited to, any provision affecting:

- (1) Assessments, assessment liens or subordination of assessment liens;
- (2) Voting rights;
- (3) Reserves for maintenance, repair and replacement of Common Elements;
- (4) Responsibility for maintenance and repairs;
- (5) Reallocation of interests in the Common Elements or Limited Common Elements, including any change in the pro rata interest or obligations of any Lot Owner for the purpose of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, except that when Limited Common Elements are reallocated by agreement between Lot Owners, only those Lot Owners and only the Eligible Mortgagees holding Security Interests in such Lots must approve such action;
- (6) Rights to use Common Elements and Limited Common Elements;
- (7) Boundaries of Lots except that when boundaries of only adjoining Lots are involved, or a Lot is being subdivided, then only those Lot Owners and the Eligible Mortgagees holding Security Interests in such Lot or Lots must approve such action;
- (8) Convertibility of Lots into Common Elements or Common Elements into Lots;

- (9) Abandonment, partition, subdivision, expansion or contraction of the Common Interest Community, or the addition, annexation, partition, subdivision or withdrawal of property to or from the Common Interest Community;
- (10) Insurance or fidelity bonds, including the use of hazard insurance proceeds for losses to any property in the Common Interest Community for other than the repair, replacement or reconstruction of such property except as provided by AS 34.08.440(h);
- (11) Leasing of Lots;
- (12) Imposition of restrictions on a Lot Owner's right to sell or transfer his or her Lot;
- (13) Establishment of self-management when professional management had been required previously by any Eligible Mortgagee;
- (14) Restoration or repair of the project after a hazard damage or partial condemnation in a manner other than that specified in the Documents;
- (15) Termination of the Common Interest Community for reasons other than the substantial destruction or condemnation, as to which a sixty-seven percent (67%) Eligible Mortgagee approval is required; and
- (16) 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 other than rights reserved to the Declarant as Special Declarant Rights without the approval of at least 51% of the Eligible Mortgagees:

- (1) Convey or encumber the Common Elements or any portion thereof (as to which an 80% Eligible Mortgagee approval is required). (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);

- (2) The establishment of self-management when professional management had been required previously by any Eligible Mortgagee;
- (3) The restoration or repair of the Property (after a hazard damage or partial condemnation) in a manner other than that specified in the Documents;
- (4) The termination of the Common Interest Community for reasons other than substantial destruction or condemnation, as to which a sixty-seven percent (67%) Eligible Mortgagee approval is required;
- (5) The alteration of any partition or creation of any aperture between adjoining Lots (when other Lot boundaries are not otherwise being affected), in which case only the owners of Lots affected and Eligible Mortgagees of those Lots need approve the action;
- (6) The merger of this Common Interest Community with any other common interest community;
- (7) 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);
- (8) The assignment of the future income of the Association, including its right to receive Common Expense assessments; and
- (9) Any action taken not to repair or replace the Property.

(c) The Association may not change the period for collection of regularly budgeted Common Expense assessments to other than monthly without the consent of all Eligible Mortgagees.

(d) The failure of an Eligible Mortgagee to respond within thirty (30) days to any written request of the Association for approval of a non-material addition or amendment to the

Documents shall constitute an implied approval of the addition or amendment.

Section 13.05. 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.

Section 13.06. 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.

Section 13.07. 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 within ninety (90) days following the end of each fiscal year of the Association. Such financial statement shall be audited by an independent certified public accountant if:

- (a) the Common Interest Community contains fifty or more Lots, in which case the cost of the audit shall be a Common Expense; or
- (b) any Eligible Mortgagee or Eligible Insurer requests it, in which case the Eligible Mortgagee or Eligible Insurer shall bear the cost of the audit.

Section 13.08. 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 13.09. Attendance at Meetings. Any representative of an Eligible Mortgagee or Eligible Insurer may attend any meeting which a Unit Owner may attend.

Section 13.10. Appointment of Trustee. In the event of damage or destruction or condemnation of all or a portion of the community, any Eligible Mortgagee may require that such proceeds be payable to a Trustee established pursuant to this Declaration. Such Trustee may be required to be a corporate trustee licensed by the State of Alaska. Proceeds will thereafter be distributed pursuant to the provisions of this Declaration or pursuant to a condemnation award. Unless otherwise required, the members of the Executive Board acting by majority vote through the president may act as Trustee.

SCHEDULE A-1
DESCRIPTION OF LAND

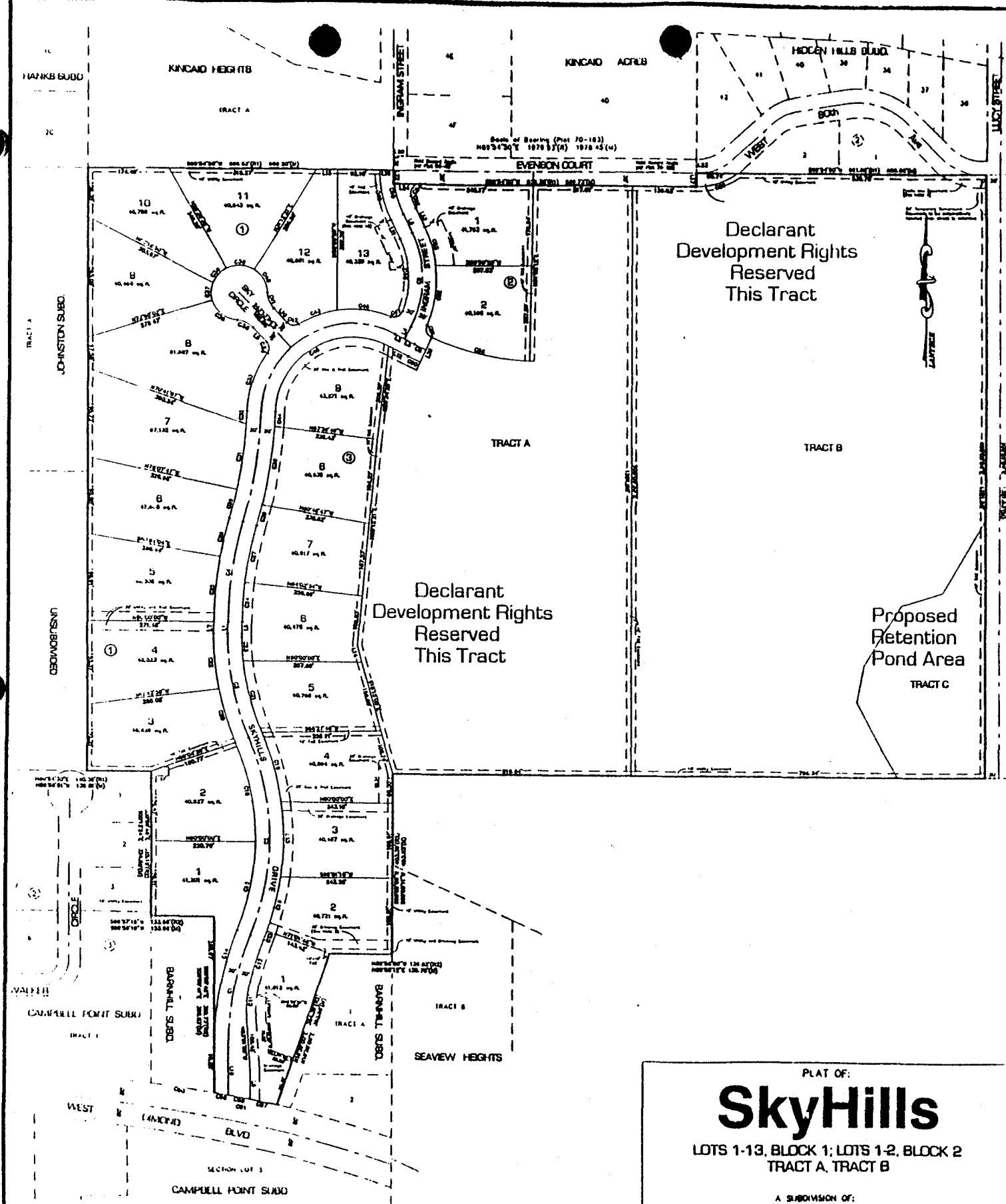
LOTS AND COMMON ELEMENTS SUBJECT TO DECLARATION
AND NOT SUBJECT TO DEVELOPMENT RIGHTS:

Lots 1-13, Block 1, Lots 1 & 2, Block 2,
Lots 1-9, Block 3, SKYHILLS SUBDIVISION,
according to Plat No. 98-134, records of the
Anchorage Recording District, Third Judicial
District, State of Alaska.

REAL PROPERTY SUBJECT TO DEVELOPMENT RIGHTS
(INCLUDING BUT NOT LIMITED TO THE RIGHT TO WITHDRAW):

Tracts A and B, SKYHILLS SUBDIVISION,
according to Plat No. 98-134, records of the
Anchorage Recording District, Third Judicial
District, State of Alaska.

AK 2381 PG 956



PLAT OF:

SkyHills

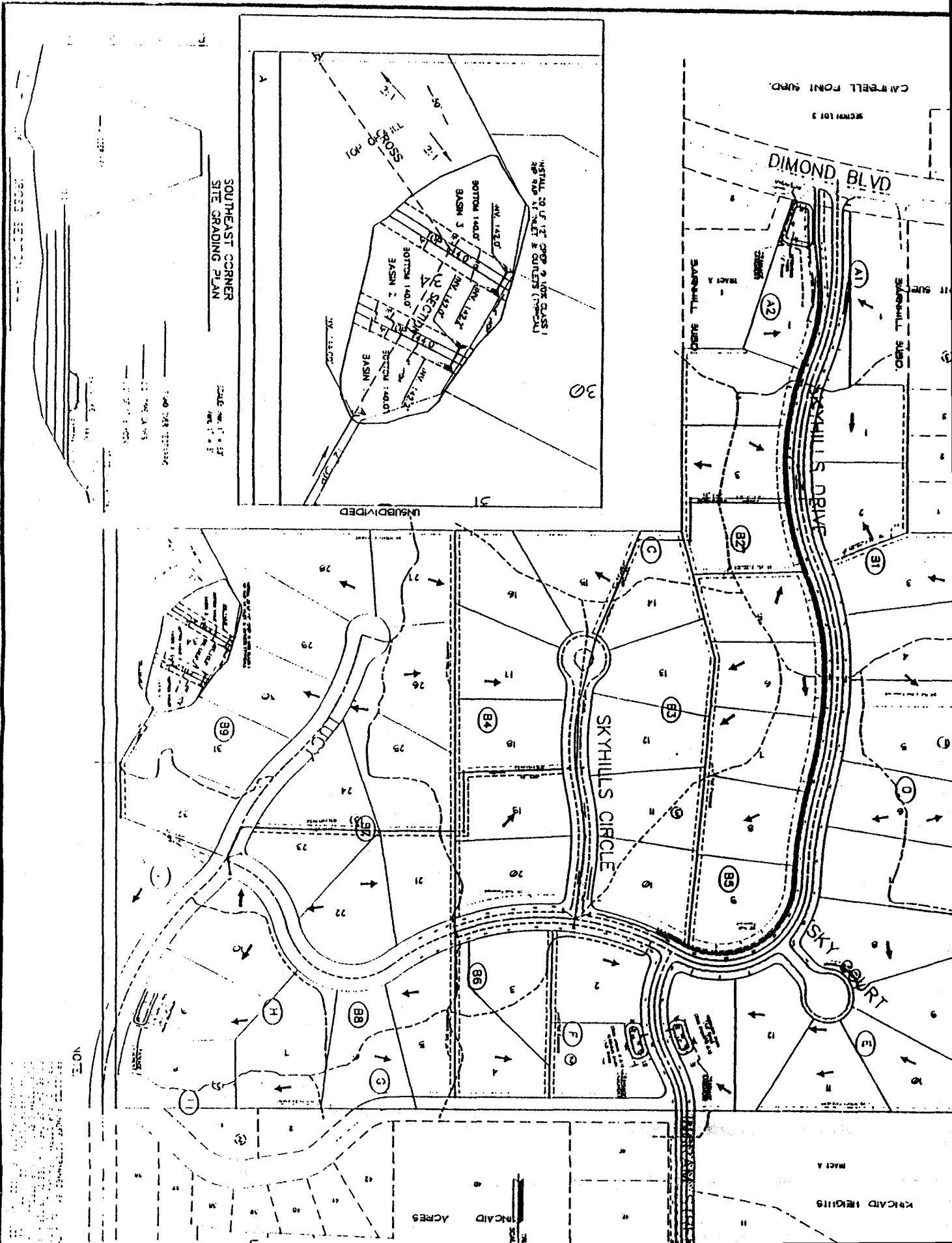
LOTS 1-13, BLOCK 1; LOTS 1-2, BLOCK 2
TRACT A, TRACT B

A SUBDIVISION OF:
TRACT B, JOHNSTON SUBDIVISION AND LOT 2, TRACT B, BARNHILL SUBDIVISION
LOCATED WITHIN THE N.W. 1/4 AND THE S.W. 1/4 OF SECTION 9, T.12N., R.4W.
S.M., ANCHORAGE RECORDING DISTRICT, ALASKA AND CONTAINING 68.03 ACRES

Lantech

LAND & CONSTRUCTION SURVEYORS-AUTOCAD
440 W BENSUN BLVD SUITE 103
ANCHORAGE, ALASKA 99503
562-5291 (FAX 561-6626)

PLANNER'S
ENGINEERS



SOUTHEAST CORNER
SITE GRADING PLAN

SCALE: 1" = 10'
DATE: 11/1/87

CROSS SECTION

SCALE: 1" = 10'
DATE: 11/1/87

NO. 3

INCID ACRES

KIRKLAND HEIGHTS

DIMOND BLVD

SKYHILLS CIRCLE

SKY COURT

TRACT A

CAMPBELL POINT SUBD.
SECTION LOT 3

SKYHILLS DRIVE

SKYHILLS DRIVE

TRACT A

TRACT A

TRACT A

TRACT A

TRACT A

TRACT A

UNSUBDIVIDED

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32

33

34

35

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A1

A2

B1

B2

B3

B4

B5

B6

B7

B8

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SCHEDULE A-3
TABLE OF INTERESTS

<u>Lot No.</u>	<u>Interest</u>	<u>Votes in Association</u>
Lot 1, Block 1	1/24	1
Lot 2, Block 1	1/24	1
Lot 3, Block 1	1/24	1
Lot 4, Block 1	1/24	1
Lot 5, Block 1	1/24	1
Lot 6, Block 1	1/24	1
Lot 7, Block 1	1/24	1
Lot 8, Block 1	1/24	1
Lot 9, Block 1	1/24	1
Lot 10, Block 1	1/24	1
Lot 11, Block 1	1/24	1
Lot 12, Block 1	1/24	1
Lot 13, Block 1	1/24	1
Lot 1, Block 2	1/24	1
Lot 2, Block 2	1/24	1
Lot 1, Block 3	1/24	1
Lot 2, Block 3	1/24	1
Lot 3, Block 3	1/24	1
Lot 4, Block 3	1/24	1
Lot 5, Block 3	1/24	1
Lot 6, Block 3	1/24	1
Lot 7, Block 3	1/24	1
Lot 8, Block 3	1/24	1
Lot 9, Block 3	1/24	1
TOTAL	----- 100.00%	----- 24

SCHEDULE A-4
EASEMENTS, LICENSES, AND RESTRICTIONS

The Common Interest Community is presently subject to the following easements, licenses, and restrictions:

AFFECTS LOTS 1-13, BLOCK 1, LOTS 4-9, BLOCK 3, AND LOTS 1 AND 2, BLOCK 2, SKYHILLS SUBDIVISION:

SUBJECT TO the easement for electric transmission and incidental purposes granted to Chugach Electric Association, Inc. recorded on June 20, 1952, in Book 74, at Page 40, in the Anchorage Recording District, Third Judicial District, State of Alaska.

FURTHER SUBJECT TO the easement for the purposes set out therein granted to Anchorage, a municipal corporation, recorded on March 22, 1985, in Book 1242, at Pages 417 and 419, in the Anchorage Recording District, Third Judicial District, State of Alaska.

FURTHER SUBJECT TO the easement for electric transmission and/or telephone system and incidental purposes granted to Chugach Electric Association, Inc. and recorded on October 7, 1998, in Book 3338, at Page 329, in the records of the Anchorage Recording District, Third Judicial District, State of Alaska.

AFFECTS LOTS 1 AND 2, BLOCK 1, AND LOTS 1-4, BLOCK 3, SKYHILLS SUBDIVISION:

SUBJECT TO the easement for electric transmission and incidental purposes granted to Chugach Electric Association, Inc. recorded on January 31, 1958, in Book 3, at Page 143, in the Anchorage Recording District, Third Judicial District, State of Alaska.

FURTHER SUBJECT TO the easement for ingress and egress to and from Lot 1, Tract A, Barnhill Subdivision granted to M. Greg Braund and C. Diane Braund, husband and wife, recorded on June 7, 1991, in Book 2158, at Page 466, in the Anchorage Recording District, Third Judicial District, State of Alaska. Said easement affects Lot 2, of Block 3, of Skyhills Subdivision where there is an existing driveway running in a Northeasterly direction from the right-of-way for West Dimond Boulevard, then in a Southeasterly direction to Lot 1. The width of the easement and right-of-way shall be 15 feet, but in no event less than the existing driveway.

FURTHER SUBJECT TO the easement for electric transmission and/or telephone system and incidental purposes granted to Chugach Electric Association, Inc., and recorded on October 7, 1998, at Book 3338, at Page 330, in the Anchorage Recording District, Third Judicial District, State of Alaska.

FURTHER SUBJECT TO the easements shown on Plat 98-134 records of the Anchorage Recording District, Third Judicial District, State of Alaska.