

time the same shall be automatically extended for successive periods of ten (10) years, unless earlier terminated pursuant to Alaska Statute 34.07.330. There shall be no severance by sale, conveyance, encumbrance or hypothecation of an interest in any unit from the concomitant membership in the Association as long as this Declaration shall continue in full force and effect.

Section 2.

AMENDMENT

Notice of the subject matter of a proposed amendment to this Declaration in reasonably detailed form shall be included in the notice of any meeting of the Association at which a proposed amendment is to be considered. A resolution adopting a proposed amendment may be proposed by a condominium owner at a meeting of members of the Association. The resolution shall be adopted by approval of condominium owners owning in the aggregate not less than seventy-five percent (75%) of the voting power. A copy of each amendment shall be certified by at least two (2) officers of the Association, and the amendment shall be effective when recorded in the public records, Anchorage Recording District, State of Alaska. Provided, however, that any of the following amendments to be effective must be approved in writing by the record holders of all encumbrances on any condominiums at the time of such amendment:

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

ARTICLE XI

CONDEMNATIONSection 1. CONSEQUENCES OF CONDEMNATION

If, at any time or times during the continuance of the condominium ownership, pursuant to this Declaration, all or any part of the project shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of or in advance thereof, the provisions of this Article shall apply.

Section 2. PROCEEDS

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

Section 3. COMPLETE TAKING

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

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

Section 4. PARTIAL TAKING

In the event that less than the entire project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership hereunder shall not terminate. Each owner shall be entitled to a share of the condemnation award to be determined in the following manner:

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

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

(c) the respective amounts allocated to the taking of or injury to a particular unit and/or improvements an owner had made within his own unit shall be apportioned to the particular unit involved; and

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

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

Section 5.

REORGANIZATION

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

Section 6.

NOTICE TO MORTGAGEE

The institutional holder of a first mortgage on any unit shall be given written notice of any condemnation proceeding described herein, and nothing herein shall entitle a unit owner, or any other party, to priority over the holder of a first mortgage with respect to the distribution of the proceeds of any award or settlement.

ARTICLE XII

MISCELLANEOUS

Section 1.

LEGAL PROCEEDINGS

Failure to comply with any of the terms of the condominium documents and regulations adopted pursuant thereto

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

Section 2.

SEVERABILITY

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

Section 3.

CONSTRUCTION BY DECLARANT

Nothing in this Declaration shall limit the right of Declarant to complete construction of improvements to the common areas and to units owned by Declarant, or to construct such additional improvements as Declarant deems advisable prior to completion and sale of the entire project. Such right shall include, but shall not be limited to, erecting, constructing and maintaining on the project such structures and displays as may be reasonably necessary for the conduct of its business of completing the work. This Declaration shall not limit the right of Declarant, at any time prior to acquisition of title by a purchaser from Declarant, to establish on the project additional easements, reservations and rights-of-way to itself, to utility companies, or to others as may from time to time be reasonably necessary to the proper development and disposal of the project, such establishment subject to prior approval by the Veterans Administration at any time that the Veterans Administration is the guarantor of any mortgage of a unit. Prospective purchasers and Declarant shall have the right to use all common areas and limited common areas for access to the sales facilities of Declarant.

The rights of Declarant hereunder may be assigned by Declarant to any successor to all or part of Declarant's interest in the project by an express assignment incorporated in a recorded deed transferring such interest to such successor. Any alteration of the construction plans and designs by the Declarant shall be subject to the prior approval of the Veterans Administration.

Section 4.

EASEMENTS

Declarant expressly reserves, for the benefit of owners in the project, reciprocal easements of access, ingress and egress over all of the common areas. Such easements may be used by Declarant's successors, purchasers and all unit owners, their guests, tenants and invitees, residing or temporarily visiting the project, for pedestrian walkways, vehicular access, and such other purposes reasonably necessary to use and enjoyment of a unit in the project. Such easements shall be appurtenant to, and shall pass with, the title to every unit conveyed. The Declarant expressly reserves, for the benefit of each unit owner, an exclusive easement for use of those areas depicted on the condominium plan as limited common areas, as assigned to each unit owner for his numbered unit. All building walls shall be considered to adjoin and abut the wall of the contiguous residence against the surface from the bottom of the foundation of the building. Such right of use shall be as not to interfere with the use and enjoyment of the owners of adjoining residences, and in the event that any such contiguous wall is damaged or injured from any cause other than the act or negligence of one of the owners, the same shall be repaired or rebuilt at their joint expense. In the event any portion of the common elements encroaches upon any unit, or any unit encroaches upon the common elements, as a result of the construction, reconstruction, repair, shifting, settlement or movement of any portion of the project, a valid easement for the encroachment and for the maintenance of the same shall exist so long as the encroachment exists.

Section 5.

VALUATION OF UNIT AND
PROPERTY AND VOTING RIGHTS

Each unit described herein is valued as set forth in Exhibit D, the total value of such units being the value of property comprising the project. The owner of each unit shall have an undivided interest in the common areas and facilities appertaining to each unit for all purposes, including voting as set forth in Exhibit D.

Section 6.

SERVICE OF PROCESS

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

Bear Fritz, Inc.
General Partner for Continental
Land Investments, Ltd.,
a limited partnership
406 "G" Street
Anchorage, Alaska 99501

This Declaration has been executed on the day and year first hereinabove written.

CONTINENTAL LAND INVESTMENTS, LTD.
A Limited Partnership

By Hubert J. Gallert
Its Hubert J. Gallert

STATE OF ALASKA)

THIRD JUDICIAL DISTRICT) ss.

THIS IS TO CERTIFY that on this 16th day of December, 1978, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn as such, personally appeared Hubert J. Gallert, known to me to be the person named in and who executed the within and foregoing instrument, for and on behalf of said limited partnership by authority duly vested in him; and he acknowledged to me that he signed the same freely and voluntarily for the uses and purposes therein mentioned.

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

Hubert J. Gallert
Notary Public in and for Alaska
My Commission Expires 10-28-80

EXHIBIT A

Legal Description

Lot Nineteen "B" (19-B), Section Thirteen (13), Township Thirteen (13) North, Range Three (3) West, Seward Meridian, being a re-plat of Section Lot Nineteen (19), Section Thirteen (13), Township Thirteen (13) North, Range Three (3) West, Seward Meridian, according to Plat No. 75-190 in the records of the Anchorage Recording District, Third Judicial District, State of Alaska.

AMENDMENT
TO
DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS, RESERVATION OF EASEMENTS
AND CONDOMINIUM PLAN PURSUANT TO THE HORIZONTAL
PROPERTY REGIME ACT OF THE STATE OF ALASKA
(AS 34.07, et seq.)

FOR

VICTORIA HILL III CONDOMINIUMS

Amendment made this _____ day of September, 1979, by
CONTINENTAL LAND INVESTMENTS, LTD., an Alaskan limited
partnership, "Declarant" herein, to that certain Declaration
of Covenants, Conditions and Restrictions for Victoria Hill
III Condominiums, recorded on October 17, 1978 in Book 345 at
Page 325 in the Office of the Anchorage Recording District,
Third Judicial District, State of Alaska. The Declaration is
hereby amended in the following manner:

Exhibit "C" of the above-referenced Declaration is
hereby amended in its entirety and replaced by Exhibit "C-1"
attached to this Amendment and incorporated herein by reference
as though fully set forth. The purpose of the amendment is to
reflect reassignment by the Declarant of certain parking
spaces, which reassignment took place at the time of the
conveyance of the units to the first purchasers.

DATED this 27th day of September, 1979.

CONTINENTAL LAND INVESTMENTS, LTD.
A Limited Partnership

By Robert J. Gellert

STATE OF ALASKA

THIRD JUDICIAL DISTRICT

)
) ss.
)

THIS IS TO CERTIFY that on this 25th day of Sept
1979, before me, the undersigned, a Notary Public in
and for the State of Alaska, duly commissioned and sworn as
such, personally appeared ROBERT J. GELBERT, known to me to be
one of the partners of CONTINENTAL LAND INVESTMENTS, LTD., an
Alaska Limited Partnership, and known to me to be the person

named in and who executed the within and foregoing instrument, for and on behalf of said partnership, and he acknowledged to me that he signed the same freely and voluntarily for the uses and purposes therein mentioned.

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



[Handwritten Signature]
 Notary Public in and for Alaska
 My Commission Expires: 8-4-81