

BYLAWS
OF
GREENHOUSES OF FOXHALL

ARTICLE I

Section 1. NAME

The name of the corporation is GREENHOUSES OF FOXHALL, hereinafter referred to as the "Association". The registered agent and office of the corporation shall be located in Anchorage, Alaska.

Section 2. BYLAWS APPLICABILITY AND MEMBERSHIP

The provisions of these Bylaws are applicable to the Project known as GREENHOUSES OF FOXHALL a/k/a GREENHOUSE HOMEOWNERS ASSOCIATION, INC., located in the Municipality of Anchorage. (The term "Project" as used herein shall include the land and the structures and improvements thereon). All owners of units in the Project shall be members of the Association. The membership of each unit owner shall terminate when he ceases to be a unit owner and upon the sale, transfer or other disposition of his unit, his membership in the Association shall automatically be transferred to the new unit owner. These Bylaws are applicable to guests and tenants as well.

Section 3. PERSONAL APPLICATION

All present or future members, owners, tenants, future tenants, or their employees or any other person that might use the facilities of the Project in any manner, are subject to these Bylaws and regulations adopted thereunder and to the conditions specified in the recorded Revised Declaration of Covenants, Conditions and Restrictions of the Greenhouses Of Foxhall and the Articles of Incorporation of said Association, where the same have not been superseded or modified and pursuant to the Horizontal Property Regimes Act and Common Interest Ownership Act of the State of Alaska, Title 34 A.S.

The mere acquisition or rental of any of the units of the Project, or the mere act of occupancy of any of the units, will signify that these Bylaws and included articles and regulations are accepted, ratified and will be complied with.

ARTICLE II

VOTING, MAJORITY OF MEMBERS, QUORUM, PROXIES

Section 1. VOTING RIGHTS

Voting members are those recorded owners, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, excluding those having such interest merely as security for the performance of any obligation. Voting member-owners shall be entitled to one vote for each Lot in which they hold the interest specified which vote may be cast in person or by proxy. A proxy will be valid for no longer than an eleven month period.

Section 2. MAJORITY OF MEMBER-OWNERS

As used in these Bylaws, the term "majority of owners" shall mean those member-owners holding fifty-one percent (51%) of the votes in the Project.

Section 3. QUORUM

Except as otherwise provided in these Bylaws, the presence in person or by proxy of a "majority of the member-owners," as defined in Section 2 of this Article, shall constitute a quorum.

Section 4. PROXIES

At all meetings of member-owners, each member-owner may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member-owner of his Lot.

ARTICLE III ADMINISTRATION

Section 1. ASSOCIATION RESPONSIBILITIES

The member-owners shall have the responsibility of electing a Board of Directors in accordance with the provision of Article IV of these Bylaws to manage the affairs of the Association, and such other responsibilities as are contained in the Articles of Incorporation.

Section 2. PLACE OF MEETING

Meetings of the Association shall be held in Anchorage, except that a majority of the member-owners may designate another location within the State of Alaska for the annual meeting.

Section 3. ANNUAL MEETINGS

The annual meetings of the members shall be held in January on a date set by the Board of Directors.

Section 4. SPECIAL MEETINGS

It shall be the duty of the President to call a special meeting of the member-owners as directed by resolution of the Board of Directors or upon a petition signed by twenty-five percent (25%) of the members or those who are entitled to vote twenty-five percent (25%) of the member-ownership shares. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting, except as stated in the notice.

Section 5. NOTICE OF MEETING

It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof, as well as the time and place where it is to be held, to each owner of record, at least seven (7) but not more than thirty (30) days prior to such meeting. The mailing of a notice in the manner provided in this section shall be considered notice served.

Section 6. ADJOURNED MEETINGS

If any meeting of member-owners cannot be organized because a quorum has not attended, the owners who are present, either in person or by proxy, may adjourn the meeting, without notice other than announcement at the meeting, to a time not less than forty-eight (48) hours nor more than thirty (30) days from the time the original meeting was called.

Section 7. ORDER OF BUSINESS

The order of business at all regular meetings of the member-owners of units shall be as follows: (a) roll call; (b) proof of notice or waiver of notice; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) report of committees; (f) election of Directors; (g) unfinished business; and (h) new business.

Section 8. ACTION WITHOUT MEETING

Any action, which under the provisions of Alaska Statutes may be taken at a meeting of the member-owners, may be taken without a meeting if authorized by a writing signed by all of the member-owners who would be entitled to vote at a meeting for such purpose, and filed with the Secretary.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. NUMBER AND QUALIFICATION: COMPENSATION

The affairs of the Board of Directors shall be governed by a Board of Directors composed of three (3) persons, each of whom must be an owner of a unit within the project. No Director shall receive compensation for any service rendered to the Association. Any Director may be reimbursed for actual expenses incurred in the performance of duties.

Section 2. NOMINATION

Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of three (3) member-owners of the Association appointed by the Board of Directors prior to each annual meeting to serve from the close of such annual meeting until the close of the next annual meeting. The Nominating Committee shall make at least as many nominations for election of the Board of Directors as there are vacancies to be filled and shall determine that the persons nominated understand the importance of their commitment to serve and do not have personal or business obligations that would require such frequent absences from the community as to preclude their regular attendance at meetings or ability to carry on the business of the Association.

Section 3. ELECTION

Election of the Board of Directors shall be by secret written ballot. At such election as many votes may be cast to each vacancy as member-owners or their proxies are entitled to vote. The persons receiving the largest number of votes shall be elected.

Section 4. POWER AND DUTIES

The Board of Directors shall have the following powers and duties:

- (a) To elect the officers of the Association as hereinafter provided.

- (b) To administer the affairs of the Association and the Project.
- (c) To engage, subject to the provisions of the Revised Declaration, the services of a Manager, who shall manage and operate the Project and the common areas and facilities thereof for all of the member-owners, upon such terms and for such compensation and with such authority as the Board of Directors may approve.
- (d) To formulate policies for the administration, management and operation of the Project and the common areas and facilities thereof.
- (e) To adopt rules and regulations governing the administration, management, operation and use of the Project and common areas and facilities, and to amend such rules and regulations from time to time. The Board may adopt a fining policy and due process policy in conjunction with these rules and regulations.
- (f) To provide for the maintenance, repair and replacement of the common area facilities and payments thereof, and to approve payment vouchers or to delegate such approval to the officers or the Manager.
- (g) To provide for the designation, hiring and removal of contractors and other personnel, including accountants, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of the project and the common areas and facilities, and to delegate any such power to the manager (and any such employees or other personnel who may be the employees of the Manager).
- (h) To fix the amount of the annual assessment and budget and to provide the manner of assessing and collecting from the member-owners their respective shares of such expenses, as hereinafter provided.
- (I) The annual assessment against each lot shall be determined at least thirty (30) days in advance of each annual assessment period, and owners notified fifteen (15) days prior to its effective date. Thereafter written notice of the assessment shall be provided to each owner at least thirty (30) days in advance of its due date.
- (j) Unless otherwise provided herein or in the Revised Declaration, to comply with the instruction of a majority of the member-owners, as expressed in a resolution duly adopted at any annual or special meeting of the member-owners.
- (k) To appoint an Architectural Control Committee from among the member-owners and such other committee as may be necessary to overlook and assist in the day-to-day operations of the condominium, without any executive powers, specifically in respect of items such as maintenance, security, beautification, public relation, and the welfare of residents.

(l) To procure and maintain such policies of fire and hazard insurance included within the term "extended coverage" on improvements located in the common areas and owned by the Association, as well as personal property owned by the Association, and adequate liability insurance on behalf of the Association, as may be reasonably required by institutional holders of first mortgages on any lots, and in any event, in the amount of at least ONE MILLION DOLLARS (\$1,000,000.00) to protect the Association and individual member-owners from liability caused by acts and omissions of officers, agents or employees of the Association, or members appointed or nominated by the Board in a representative capacity or involving the condition of the common areas.

(m) To exercise all other powers and duties of the Board of Directors of the Association of member-owners, as referred to in the Horizontal Property Regimes Act and Common Ownership Interest Act of the State of Alaska, Title 34 A.S.

Section 5. OTHER DUTIES

In addition to duties imposed by these Bylaws, or by resolutions of the Association, the Board of Directors shall be responsible for the following: (a) care, upkeep of the Project, common areas and facilities; (b) collection of all assessments, fines, or legal fees due and payable to the Association from a member-owner; and (c) designation and dismissal of the personnel necessary for the maintenance and operation of the Project, the common areas and facilities.

Section 6. MANAGEMENT AGENT

The Board of Directors may employ for the Association a management agent at a compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Section 4 & 5 of this Article. However, the Board of Directors does not relinquish liability for duties not performed.

Section 7. ELECTION AND TERM OF OFFICE

Directors shall be elected for a term of two (2) years. The Directors shall hold office until their successors have been elected and hold their first meeting. The terms of Board members shall be staggered to maintain an informed Board. This will be accomplished by electing two Board members during even numbered years, and one Board member on odd numbered years.

Section 8. BOOKS & RECORDS

The Board of Directors shall cause to be maintained a full set of books and records showing all its acts and the financial condition of the affairs of the Association in a manner consistent with generally accepted accounting principles, and at no greater than annual intervals, and shall obtain an independent review of such books and records. A copy of such review shall be available to member-owners upon request, however a reasonable fee may be charged for the expense of photocopying. The books, records and papers of the Association shall be made available during reasonable business hours, be subject to inspection by any member-owner, other than those records deemed "privileged" by the Board of Directors. Privileged documents may include but are not limited to correspondence pertaining to pending litigation.

Section 9. VACANCIES

Vacancies in the Board of Directors caused by any reason, other than the removal of a Director by a vote of the Association, shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association.

Section 10. REMOVAL OF DIRECTOR

At a regular or special meeting called for a specific purpose, any one or more of the Directors may be removed, with or without cause, by a majority of the member-owner and a successor(s) may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the owners shall be given an opportunity to be heard at the meeting. A majority of a Board of Directors may with cause and a hearing, remove a Board member at a regular Board meeting. A member-owner may be appointed by the remaining Board to fill the vacant position.

Section 11. REGULAR MEETINGS

A meeting of the Board of Directors shall be held immediately following each annual meeting of the membership and at such other times as the Board shall deem necessary.

Section 12. SPECIAL MEETINGS

Special meetings of the Board of Directors may be called by the President on three (3) days notice to each Director, given personally or by mail or telephone, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) Directors.

Section 13. WAIVER OF NOTICE

Before or at a meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 14. BOARD OF DIRECTOR'S QUORUM

At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have transacted at the meeting as originally called may be transacted without further notice.

Section 15. ACTION WITHOUT MEETING

The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 16. FIDELITY BONDS

The Board of Directors may require that all officers, directors and employees of the Association handling or responsible for Association funds shall furnish fidelity bonds comparable to those required by the Alaska Housing Finance Corporation (AHFC), FHA, VA, Fannie Mae and Freddie Mac. The premiums on such bonds shall be paid by the Association.

ARTICLE V

OFFICERS

Section 1. DESIGNATION

The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may create from time to time by resolution. The office of Secretary and Treasurer may be held by the same person.

Section 2. ELECTION OF OFFICERS

The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office for one (1) year unless he/she shall sooner resign, or shall be removed or otherwise be disqualified to serve.

Section 3. REMOVAL OR RESIGNATION OF OFFICERS

Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, but only after being given an opportunity to be heard. Any officer may resign at any time by giving written notice to the Board of Directors, or at any special meeting of the Board called for such purpose.

Section 4. PRESIDENT

The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the President of an Association, including, but not limited to, the authority to sign all leases, deeds and other written instruments and shall co-sign all checks and promissory notes; the power to appoint committees from among the member-owners from time to time as he may in his discretion decide it is appropriate to assist in the conduct of the affairs of the Association.

Section 5. VICE PRESIDENT

The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

Section 6. SECRETARY

The Secretary shall insure the keeping of the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association; he/she shall have charge of all books and papers as the Board of Directors may direct; shall send notice of meetings of the Board to the member-owners; and shall, in general, perform all the duties incident to the office of secretary.

Section 7. TREASURER

The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit, of the Association in such depositories

as may from time to time be designated by the Board of Directors, and shall sign all checks and promissory notes of the Association.

ARTICLE VI

OBLIGATION OF THE OWNERS

Section 1. ASSESSMENTS

(a) All member-owners are obligated to pay all assessments imposed by the Association to meet all project expenses, which may include a liability insurance policy premium and an insurance premium for a policy to cover repair and reconstruction in case of fire, earthquake or other hazard.

(b) All delinquent assessments, late fees, legal fees, fines, and other member-owner charges shall be enforced, collected or foreclosed in the manner provided in the Revised Declaration.

Section 2. MAINTENANCE AND REPAIRS

(a) Every member owner must perform promptly all maintenance and repair work within his own unit, which, if omitted, would affect the project in its entirety or in a part belonging to other member-owners, being expressly responsible for the damages and liabilities that his failure to do so may engender.

(b) A member-owner shall reimburse the Association for any expenditures incurred in repairing or replacing any common area and facility damaged through his own fault.

ARTICLE VII

AMENDMENTS

These Bylaws may be amended by the Association in a duly constituted meeting for such purpose, and no amendment shall take effect unless approved by at least fifty-one percent (51%) of the member-owners in the Project. In the event of any conflict between these Bylaws and the Articles of Incorporation or the Revised Declaration, except with respect to those provisions concerning the "Declarant" Parkwood Company, its successors and assigns, which can no longer have application to the organization and purposes of the Association, the Articles and Declaration shall prevail.

ARTICLE VIII

LIABILITY OF OFFICERS: INDEMNIFICATION

Section 1. EXCULPATION

No Director or Officer of the Association shall be liable for acts or defaults of any other officer or member-owner or for any loss sustained by the Association or any member-owner thereof, unless the same has resulted from his own willful misconduct or negligence. All Directors and Officers in the performance of their duties shall exercise the care required of fiduciaries of the member-owners .

Section 2. INDEMNIFICATION

Every Director, and Officer of the Association or committee member appointed by the Board of Directors shall be indemnified by the Association against all reasonable costs, expenses, and liabilities, including attorneys fees actually and necessarily incurred by or imposed upon him in connection with any claim, action, suit proceeding, investigation or inquiry or whatever nature in which he may be involved as a party or otherwise by reason of his having been an Officer or Director or Association committee member, at the time of the incurring or imposition of such costs, expenses or liabilities, except in relation to matters proceeding investigation or inquiry to be liable for willful misconduct or negligence to the Association in the performance of his/her duties or in the absence of such final adjudication, and determination of such liability, by the opinion of legal counsel selected by the Association. The foregoing right of indemnification shall be in addition to and not in limitation of all rights to which such persons may be entitled as a matter of law. Such right of indemnification applies only to such costs, expenses or liabilities NOT covered by insurance provided by the Association. Provided also that in the event of settlement, the indemnification herein shall apply only when the Board or Directors approves such settlement and reimbursement as being for the best interest of the Association.

ARTICLE IX

APPLICABLE LAW

In the event any of these Bylaws conflict with any provisions of the laws of the State of Alaska, such conflicting Bylaw shall be null and void upon final court determination to such effect, but all other Bylaws shall remain in full force and effect.

DATED this 29th day of April, 1997

George J. Oliver
Secretary President