

stewart title[®]

Property Profile Report

06/02/2026

1850 N Monte Vista Drive, #D, Palmer, AK 99645

Purported owner of Record: Debra Marie Bakic

Prepared by:

Erin Hodgson
Stewart Title of Fairbanks
714 Gaffney Rd
Fairbanks, AK 99701
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Prepared for:

Sharon Shaw

Report Provided by:

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|--|--|
| <input checked="" type="checkbox"/> Tax Report | <input checked="" type="checkbox"/> Plat Map |
| <input checked="" type="checkbox"/> BEES Certificate | <input checked="" type="checkbox"/> No As-Built |
| <input checked="" type="checkbox"/> Summary of Bldg Insp | <input type="checkbox"/> As-Built Attached |
| <input checked="" type="checkbox"/> Vesting Deed | <input type="checkbox"/> As-Built Requested/Will forward if rcvd |
| <input checked="" type="checkbox"/> Deed of Trust | <input type="checkbox"/> Other |
| <input checked="" type="checkbox"/> CC&R's | <input type="checkbox"/> Notice of Default |

Disclaimer

This property report is provided "as is" without warranty of any kind, either express or implied, including without limitations any warranties of merchantability or fitness for a particular purpose. There is no representation of warranty that this information is complete or free from error, and the provider does not assume, and expressly disclaims, any liability to any person or entity for loss or damage caused by errors or omissions in this property report without a title insurance policy.

The information contained in this property report is delivered from your Title Company, who reminds you that you have the right as a consumer to compare fees and serviced levels for Title, Escrow, and all other services associated with property ownership, and to select providers accordingly. Your home is the largest investment you will make in your lifetime and you should demand the very best.



MATANUSKA-SUSITNA BOROUGH

Real Property Detail for Account: 59032000U1850D

Site Information

Account Number	59032000U1850D	Subdivision	MONTE VIS TWNHM CONDOS PH II
Parcel ID	6204	City	None
TRS	S18N02E31	Map PA05	Tax Map
Abbreviated Description (Not for Conveyance)	MONTE VIS TWNHM CONDOS PH II UNIT 1850D		

Site Address 1850 N Monte Vista Dr Unit D

Ownership

Owners	BAKIC DEBRA MARIE	Buyers	
Primary Owner's Address	STE 3 PMB 290 1150 S COLONY WAY PALMER AK 99645	Primary Buyer's Address	

Appraisal Information

Year	Land Appraised	Bldg. Appraised	Total Appraised	Assessment Year	Land Assessed	Bldg. Assessed	Total Assessed ¹
2026	\$0.00	\$234,300.00	\$234,300.00	2026	\$0.00	\$234,300.00	\$234,300.00
2025	\$0.00	\$213,000.00	\$213,000.00	2025	\$0.00	\$213,000.00	\$213,000.00
2024	\$0.00	\$193,600.00	\$193,600.00	2024	\$0.00	\$193,600.00	\$193,600.00

Building Information

Structure 1 of 1							
Residential Units	1	Use	Residential Building				
Condition	Standard	Design	Condo				
Basement	None	Construction Type	Frame				
Year Built		2005	Grade	04.5			
Foundation	Concrete Block	Well	Well C - Community Water				
Septic	Septic C - Community Sept						

Building Item Details

Building Number	Description	Area	Percent Complete
1	First Story	406 Sq. Ft.	100%
1	Second Story	846 Sq. Ft.	100%
1	Gas Heat	1 Sq. Ft.	100%
1	Fireplace Heatilator - 8N	1 Sq. Ft.	100%
1	Garage (10.3) Area - 11M	420 Sq. Ft.	100%

Tax/Billing Information

Year	Certified	Zone	Mill	Tax Billed
2026	Yes	0003	::	::
2025	Yes	0003	10.984	\$2339.59
2024	Yes	0003	11.306	\$2188.84

Recorded Documents

Date	Type	Recording Info (offsite link to DNR)
2/21/2020	QUITCLAIM DEED (ALL TYPE)	Palmer 2020-003651-0
12/18/2018	UNIT DEED	Palmer 2018-026571-0
10/19/2012	UNIT DEED	Palmer 2012-033801-0

Tax Account Status ²

Status	Tax Balance	Farm	Disabled Veteran	Senior	Total ³	LID Exists
Current		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00 No

Land and Miscellaneous

Gross Acreage	0.01	Taxable Acreage	0.01	Assembly District	002	Precinct	<u>25-310</u>	Fire Service Area	132 Greater Palmer Consol	Road Service Area	016 South Colony RSA
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¹ Total Assessed is net of exemptions and deferrals. rest, penalties, and other charges posted after Last Update Date are not reflected in balances.

² If account is in foreclosure, payment must be in certified funds.

³ If you reside within the city limits of Palmer or Houston, your exemption amount may be different.



RECORDING REQUESTED BY:
Debra Marie Bakic

(Above reserved for official use only)

INSTRUMENT PREPARED BY:
Debra Marie Bakic
1150 S. Colony Way, Ste 3 PMB 401
Palmer, Alaska 99645

SEND TAX STATEMENTS TO:
Debra Marie Bakic
1150 S. Colony Way, Ste 3 PMB 401
Palmer, Alaska 99645

Tax Parcel ID # 9032000U1850D

QUIT CLAIM DEED FOR ALASKA

THIS DEED is made this 18th day of February, 2020 by and between **Debra Marie Passmore** an unmarried individual residing at 1850 N. Monte Vista Drive, Unit D, Palmer, Alaska 99645, hereinafter called the GRANTOR, and **Debra Marie Bakic**, an unmarried individual residing at 1850 N. Monte Vista Drive, Unit D, Palmer, Alaska 99645, hereinafter called the GRANTEE,

FOR VALUABLE CONSIDERATION of the sum of one dollar (\$1.00), the receipt and sufficiency of which is hereby acknowledged, Grantor hereby quitclaims to Grantee and Grantee's heirs and assigns forever, all of Grantor's rights, titles, interests, and claims in or to the following described real estate (the "**Property**"), together with all hereditaments and appurtenances belonging thereto, located in Matanuska-Susitna Borough, Alaska, subject to any restrictions herein:

Property Address: 1850 N. Monte Vista Drive, Unit D, Palmer, Alaska 99645

Legal Description:

Monte Vista Townhome Condos, Phase II, Unit 1850D, located in the Palmer Recording District, Third Judicial District, State of Alaska.

Vesting Information / Property Interest: Grantee receives the Property in fee simple as the sole owner.

Grantor signed, sealed, and delivered this quit claim deed to Grantee on Feb. 18, 2020 (date).

Grantor (or authorized agent)

x/ Debra M Passmore

Print Name: Debra M Passmore

RETURN TO:
Debra Marie Bakic
1150 S. Colony Way, Ste 3 PMB 401
Palmer, Alaska 99645



NOTARY ACKNOWLEDGMENT

STATE OF ALASKA)
): SS
THIRD JUDICIAL DISTRICT)

On February 18, 2020, before me, the undersigned, a Notary Public in and for the said State, personally appeared **Debra Marie Passmore**, personally known to me or proved on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.

Nicole Wilkins
Notary Public in and for the State of Alaska



My Commission Expires: 10/01/2022



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2021-010156-0

Recording Dist: 311 - Palmer

4/14/2021 10:45 AM Pages: 1 of 12



When recorded, return to:
Residential Mortgage, LLC
ATTN: Final Document Department
100 Calais Drive
Anchorage, AK 99503

Title Order No.: S21-17905
Escrow No.: S21-17905
LOAN #: RRDW069392

[Space Above This Line For Recording Data]

DEED OF TRUST

MIN 1000463-0000087187-9

MERS PHONE #: 1-888-679-6377

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated **April 9, 2021**,

together with all Riders to this document.

(B) "Borrower" is **DEBRA MARIE BAKIC, AN UNMARRIED PERSON.**

Borrower is the trustor under this Security Instrument.

(C) "Lender" is **Residential Mortgage, LLC.**

Lender is a **Limited Liability Company**,
under the laws of **Alaska**,
100 Calais Drive, Anchorage, AK 99503.

organized and existing
Lender's address is

(D) "Trustee" is **Stewart Title Company.**

(E) "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. **MERS is the beneficiary under this Security Instrument.** MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.

(F) "Note" means the promissory note signed by Borrower and dated **April 9, 2021.**

The Note states that Borrower owes Lender **ONE HUNDRED FORTY FOUR THOUSAND ONE HUNDRED AND NO/100******* Dollars (U.S. **\$144,100.00**) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than **May 1, 2036.**

(G) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(H) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.



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(I) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

- Adjustable Rate Rider
- Condominium Rider
- Second Home Rider
- Balloon Rider
- Planned Unit Development Rider
- Other(s) [specify]
- 1-4 Family Rider
- Biweekly Payment Rider
- V.A. Rider

(J) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(K) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(L) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(M) "Escrow Items" means those items that are described in Section 3.

(N) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(O) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(P) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

(Q) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. §2601 et seq.) and its implementing regulation, Regulation X (12 C.F.R. Part 1024), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(R) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

The beneficiary of this Security Instrument is MERS (solely as nominee for Lender and Lender's successors and assigns) and the successors and assigns of MERS. This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the Recording District

[Type of Recording District] of Palmer [Name of Recording District], Third Judicial District:

Unit 1850 Monte Vista Drive, Unit D, MONTEVISTA TOWNHOME CONDOMINIUMS, as described in Declaration recorded March 23, 2005 as Instrument No. 2005-006660-0 and any amendments thereto, and as shown on floor plans and As-built Survey attached to said declaration, located in the Palmer Recording District, Third Judicial District, State of Alaska, being located within a portion of the property submitted to said Common Interest Community described as Lots 1A and 1B, Block 1, of the Replat of Monte Vista Subdivision, according to Plat 83-159, together with facilities and those certain Common Areas, appurtenant to said Unit as described in said Declaration.

APN #: 9032000U1850D

which currently has the address of 1850 N. Monte Vista Drive Unit D, Palmer,

[Street] [City]

Alaska 99645 ("Property Address"):

[Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property." Borrower understands and agrees that MERS holds only legal title to the interests granted



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by Borrower in this Security Instrument, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right: to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, releasing and canceling this Security Instrument.

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Sec-



tion 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal



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certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.



Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. Borrower shall not surrender the leasehold estate and interests herein conveyed or terminate or cancel the ground lease. Borrower shall not, without the express written consent of Lender, alter or amend the ground lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.



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In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the sums secured immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have



been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. Borrower's Copy. Borrower shall be given one copy of the Note and of this Security Instrument.

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by



reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and those remedies permitted by Applicable Law may be invoked. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

Lender may bring suit in any court of competent jurisdiction to foreclose the lien of this Security Instrument judicially and/or obtain judgment on the Note which it secures. Any election by Lender to invoke the power of sale provisions of this Section 22 shall not be considered a final and binding election of remedies that would preclude such a judicial foreclosure, until conclusion of the sale of the Property by the Trustee as described in this Section 22.

If the power of sale is invoked, Trustee shall execute a written notice of the occurrence of an event of default and of the election to cause the Property to be sold and shall record such notice in each Recording District in which any part of the Property is located. Lender or Trustee shall mail copies of the notice to the persons and in the manner prescribed by Applicable Law. Trustee shall give public notice of sale to the persons and in the manner prescribed by Applicable Law. After the time required by Applicable Law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.



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23. **Reconveyance.** Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs. Lender may charge such person or persons a fee for reconveying the Property, but only if the fee is paid to a third party (such as the Trustee) for services rendered and the charging of the fee is permitted under Applicable Law.

24. **Substitute Trustee.** Lender may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by Applicable Law.

25. **Right to Demand Full Payoff.** Notwithstanding Section 19 or any other provision of this Security Instrument, if a notice of default under this Security Instrument shall have been recorded two or more times previously and the default shall have been cured pursuant to Section 19 and Applicable Law, Lender shall have the right to refuse to accept a subsequent cure of a subsequent default under Section 19 and shall be entitled to proceed with foreclosure of this Security Instrument unless Borrower pays all sums secured by this Security Instrument. Acceptance by Lender of a cure of the subsequent default giving rise to the foreclosure shall not constitute a waiver of the right to reject a cure and proceed with foreclosure in the event of any future default.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Debra Marie Bakic 4-9-2021 (Seal)
DEBRA MARIE BAKIC DATE

State of ALASKA
Third Judicial District

On this 9th day of April, 2021, before me, the undersigned Notary Public, personally appeared DEBRA MARIE BAKIC, known to me to be the person(s) whose names(s) is/are subscribed in the within instrument and acknowledged that he/she/they executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

STATE OF ALASKA
NOTARY PUBLIC
Heather E. Billsborough
My Commission Ends December 8, 2022



Heather E. Billsborough
Notary Public (signature) (Seal)

My Commission Expires: _____

Lender: Residential Mortgage, LLC
NMLS ID: 167729
Loan Originator: Tracy Ottinger
NMLS ID: 196900

STATE OF ALASKA
NOTARY PUBLIC
Heather E. Billsborough
My Commission Ends December 8, 2022



CONDOMINIUM RIDER

THIS CONDOMINIUM RIDER is made this 9th day of April, 2021 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to Residential Mortgage, LLC, a Limited Liability Company

(the "Lender")
of the same date and covering the Property described in the Security Instrument and located at: 1850 N. Monte Vista Drive Unit D, Palmer, AK 99645.

The Property includes a unit in, together with an undivided interest in the common elements of, a condominium project known as: Monte Vista Townhome Condominium

(the "Condominium Project").
If the owners association or other entity which acts for the Condominium Project (the "Owners Association") holds title to property for the benefit or use of its members or shareholders, the Property also includes Borrower's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest.

CONDOMINIUM COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. Condominium Obligations. Borrower shall perform all of Borrower's obligations under the Condominium Project's Constituent Documents. The "Constituent Documents" are the: (i) Declaration or any other document which creates the Condominium Project; (ii) by-laws; (iii) code of regulations; and (iv) other equivalent documents. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

B. Property Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy on the Condominium Project which is satisfactory to Lender and which provides insurance coverage in the amounts (including deductible levels), for the periods, and against loss by fire, hazards included within the term "extended coverage," and any other hazards, including, but not limited to, earthquakes and floods, from which Lender requires insurance, then: (i) Lender waives the provision in Section 3 for the Periodic Payment to Lender of the yearly premium installments for property insurance on the Property; and (ii) Borrower's obligation under Section 5 to maintain property insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

What Lender requires as a condition of this waiver can change during the term of the loan.

Borrower shall give Lender prompt notice of any lapse in required property insurance coverage provided by the master or blanket policy.

In the event of a distribution of property insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the unit or to common elements, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender for application to the sums secured by the Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property, whether of the unit or of the common elements, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Section 11.



LOAN #: RRDW069392

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to: (i) the abandonment or termination of the Condominium Project, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain; (ii) any amendment to any provision of the Constituent Documents if the provision is for the express benefit of Lender; (iii) termination of professional management and assumption of self-management of the Owners Association; or (iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

F. Remedies. If Borrower does not pay condominium dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Condominium Rider.

Debra Marie Bakic 4-9-2021 (Seal)
DEBRA MARIE BAKIC DATE

MULTISTATE CONDOMINIUM RIDER--Single Family--Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
Form 3140 1/01
Ellie Mae, Inc.

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Recording Dist: 311 - Palmer
8/25/2005 9:29 AM Pages: 1 of 1

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**Building Energy Efficiency Standard (BEES)
Certification**

mslde336
Owner of Record: Carleson Homes & Development

Building is located at: 1850 Monte Vista Unit D
(Street) (City)

Legal Description is: Lot 1B Block 1 Monte Vista
Nov Unit 1850 D, Monte Vista Townhome Condominiums Plot 83-159
(Including recording district) Palmer RD

Property is Located in Region: 1 2G 2A 3 4 5

Above Property is:
 New Construction Existing Construction: Date Construction Began: 9/01/04
(Defined as installation of the foundation)

BEES Thermal Compliance Statement:

Prescriptive Method Performance Method Budget Method

Energy Rating Method: Rating: 4★+ Rating software & version: _____

Rater's Name: _____

I hereby certify that using the method indicated above I have determined that the structure located on the above described property complies with the thermal requirements of the Building Energy Efficiency Standard (BEES) as adopted by 15 AAC 155.010. I am approved to certify, having met all current BEES training & testing requirements, as a:

Energy Rater ICBO Inspector Builder Architect Engineer Owner

My BEES Compliance Certification # 1352 Expiration Date: 2/20/07

Name: Robert Carleson Signature: Robert Carleson Date: 4/1/05

BEES Ventilation Compliance Statement: Option I Option II

I hereby certify that using the method indicated above I have determined that the structure located on the above described property complies with the ventilation requirements of the Building Energy Efficiency Standard (BEES) as adopted by 15 AAC 155.010. I am approved to certify, having met all current BEES training & testing requirements, as a:

Energy Rater ICBO Inspector Mechanical Contractor Builder Architect Engineer Owner

My BEES Compliance Certification # 1352 Expiration Date: 2/20/07

Name: Robert Carleson Signature: Robert Carleson Date: 4/1/05

Form PUR-101
06/03

Return to:
CARLESON HOMES & DEVELOPMENT, INC.
2750 E BROADVIEW AVE., SUITE A
WASILLA, AK 99654
(907) 376-5700

cc



2005-023154-0

Recording Dist: 311 - Palmer
8/25/2005 9:29 AM Pages: 1 of 2

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SUMMARY OF BUILDING INSPECTIONS

Site-Built Construction

Carleson Homes + Development, WATA,

Owner of record: CARLESON CUSTOM HOMES

Legal description: Unit 1050 D. Monte Vista Townhome Condominiums, Plat 03-159
LOT 1B BLOCK 1 MONTE VISTA, BLDG. 1, UNIT D Palmer RD
(Include recording district)

Site address: 1850 D MONTE VISTA

This certification is issued pursuant to the requirements of AK Statute 18.56.300 and AHFC's regulations 15 AAC 150.030. Use of alternate methods, such as videos, must have PRIOR WRITTEN APPROVAL of Alaska Housing Finance Corporation.

By my signature below, I certify I have the current, applicable certifications of authority. I am not personally or financially related to the builder, seller, buyer, real estate agent, or other interested party for this project, other than as a fee inspector.

1. PLAN APPROVAL

Printed Name	Signature	License # *	Date
David R. Owens	<i>[Signature]</i>	0821553-55	11/9/2004

2. COMPLETION OF FOOTINGS & FOUNDATION

	Printed Name	Signature	License # *	Date
Footings	David R. Owens	<i>[Signature]</i>	0821553-55	11/9/2004
Foundation	David R. Owens	<i>[Signature]</i>	0821553-55	11/10/2004
Foundation Damp Proofing		<i>[Signature]</i>	0821553-55	11/12/2004

3. COMPLETION OF FRAMING, ELECTRICAL, PLUMBING, & MECHANICAL

	Printed Name	Signature	License # *	Date
Framing	David R. Owens	<i>[Signature]</i>	0821553-55	2/17/05
Electrical	David R. Owens	<i>[Signature]</i>	0821553-55	2/17/05
Plumbing	David R. Owens	<i>[Signature]</i>	0821553-55	2/17/05
Mechanical	David R. Owens	<i>[Signature]</i>	0821553-55	2/17/05

Legal description: LOT 1B BLOCK 1 MONTE VISTA, BLDG. 1, UNIT D

4. COMPLETION OF INSTALLATION OF INSULATION AND VAPOR BARRIER

Printed Name	Signature	License # *	Date
<u>David R. Owens</u>	<u><i>D R</i></u>	<u>0821553-55</u>	<u>2/24/05</u>

5. CONDITIONAL APPROVAL

Items to be completed: FINAL SUBGRADE & LOT DRAINAGE,
DRIVEWAY PAVING To be completed by: 7/15/05

Printed Name	Signature	License # *	Date
<u>David R. Owens</u>	<u><i>D R</i></u>	<u>0821553-55</u>	<u>5/5/05</u>

6. FINAL APPROVAL

Printed Name	Signature	License # *	Date
<u>David R. Owens</u>	<u><i>D R</i></u>	<u>0821553-55</u>	<u>7/13/05</u>

* License # is the inspector's ICC certification # or Registration # under AS 08.18 and 12 AAC 22

By my signature below, I certify that the required inspections have been completed and the building meets or exceeds standards set forth under AS 18.56.300 and 15 AAC 150.030. I also certify any/all engineered components are currently listed with the International Code Council (ICC) and to my knowledge there has been no action to rescind ICC approval.

Builder's Signature: *Robert D Carleson* Date: 5-5-05

Builder's Name: Robert D Carleson Builder's License # AK25260
(if applicable)

Business Name: Carleson Homes and Development

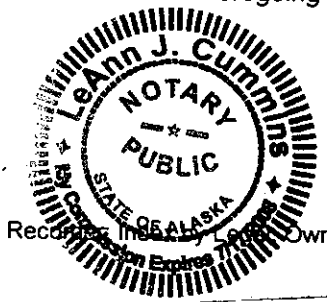
Address: 2750 E. Broadview Ave. #A

City, State: Wasilla, AK Zip 99654

Before me, a Notary Public in and for the State of Alaska, *LeAnn J. Cummings* JPC
has executed the foregoing document of his/her own free will: Robert D Carleson

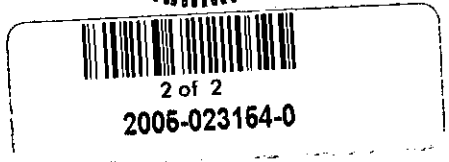
LeAnn J. Cummings
(Notary Signature)

My Commission expires: 7/17/08



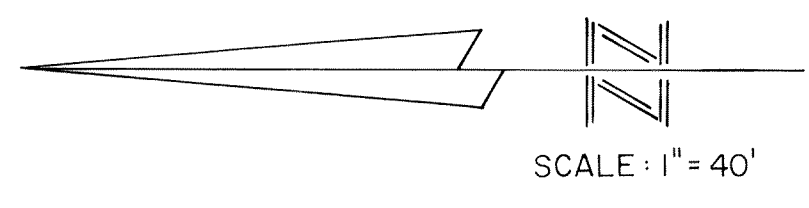
Recorded in the Public Records of the State of Alaska, by the Notary Public, Owner, and Builder

Form PUR-102
Page 2 of 2
07/04



Please return recorded PUR102 to:
Carleson Homes & Development
2750 E. Broadview Ave., #A
Wasilla, AK 99654

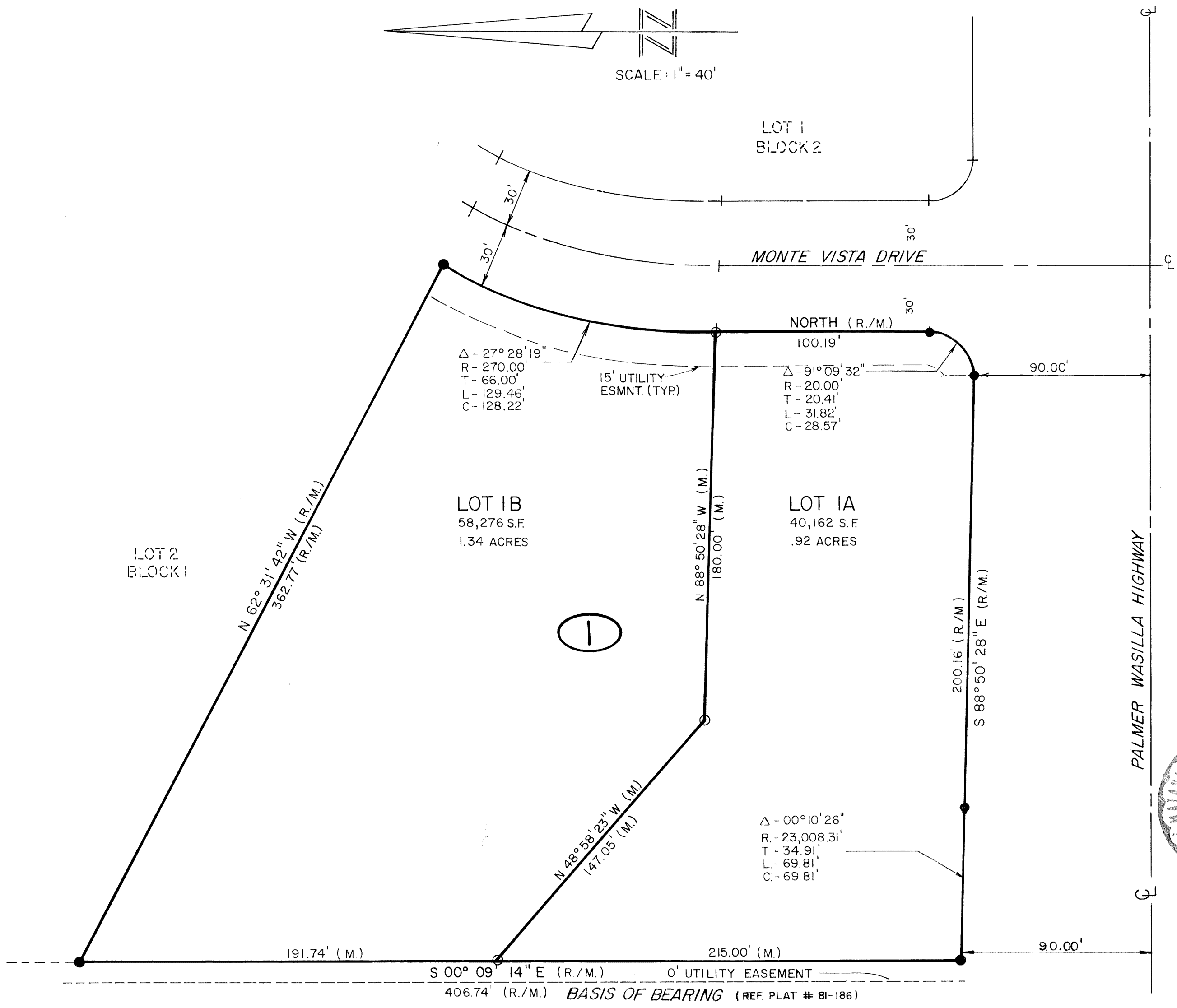
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LOT 1
BLOCK 2

MONTE VISTA DRIVE

PALMER WASILLA HIGHWAY



Δ - 27° 28' 19"
R - 270.00'
T - 66.00'
L - 129.46'
C - 128.22'

Δ - 91° 09' 32"
R - 20.00'
T - 20.41'
L - 31.82'
C - 28.57'

LOT 1B
58,276 S.F.
1.34 ACRES

LOT 1A
40,162 S.F.
.92 ACRES

Δ - 00° 10' 26"
R - 23,008.31'
T - 34.91'
L - 69.81'
C - 69.81'

NOTES

- STRUCTURAL SETBACK - NO STRUCTURE SHALL BE PLACED NEARER THAN TWENTY-FIVE (25) FEET FROM ANY PUBLIC RIGHT-OF-WAY.
- SIDE YARD - NO STRUCTURE SHALL BE PLACED NEARER THAN TEN (10) FEET FROM ANY SIDE LOT LINE.
- FLOOR ELEVATIONS - NO STRUCTURE MAY BE PLACED UPON ANY LOT WHICH SHALL HAVE A LOWEST FLOOR ELEVATION, INCLUDING BASEMENT, OF LESS THAN TWO (2) FEET ABOVE THE HIGHEST KNOWN WATER ELEVATION.
- SEWAGE DISPOSAL - THERE WILL BE A ONE HUNDRED (100) FOOT SETBACK OF WASTEWATER DISPOSAL SYSTEMS FROM WATERBODIES OR WATER COURSES.
- USEABLE AREA - ALL LOTS HAVE 100 % USEABLE AREA UNLESS OTHERWISE STATED.
- LOT 1A, BLOCK 1, WILL HAVE NO ACCESS FROM PALMER WASILLA HIGHWAY.
- LOT 1B, BLOCK 1, HAS 35,215 S.F. OF AREA WITH A SLOPE OF LESS THAN 25 %.
- LOT 1A, BLOCK 1, HAS 33,762 S.F. OF AREA WITH A SLOPE OF LESS THAN 25 %.
- SUBDIVISION COVENANTS ARE RECORDED, BOOK 248, PAGE 384 & BOOK 258, PAGE 331, PALMER RECORDING DISTRICT.

LEGEND

- FOUND 5/8" REBAR
- SET 5/8" X 30" REBAR

Plat # 83-159

RECORDED - FILED 1000

Palmer REC. DIST.

DATE 8-16, 1983

TIME 4:03 P.M.

Requested by _____

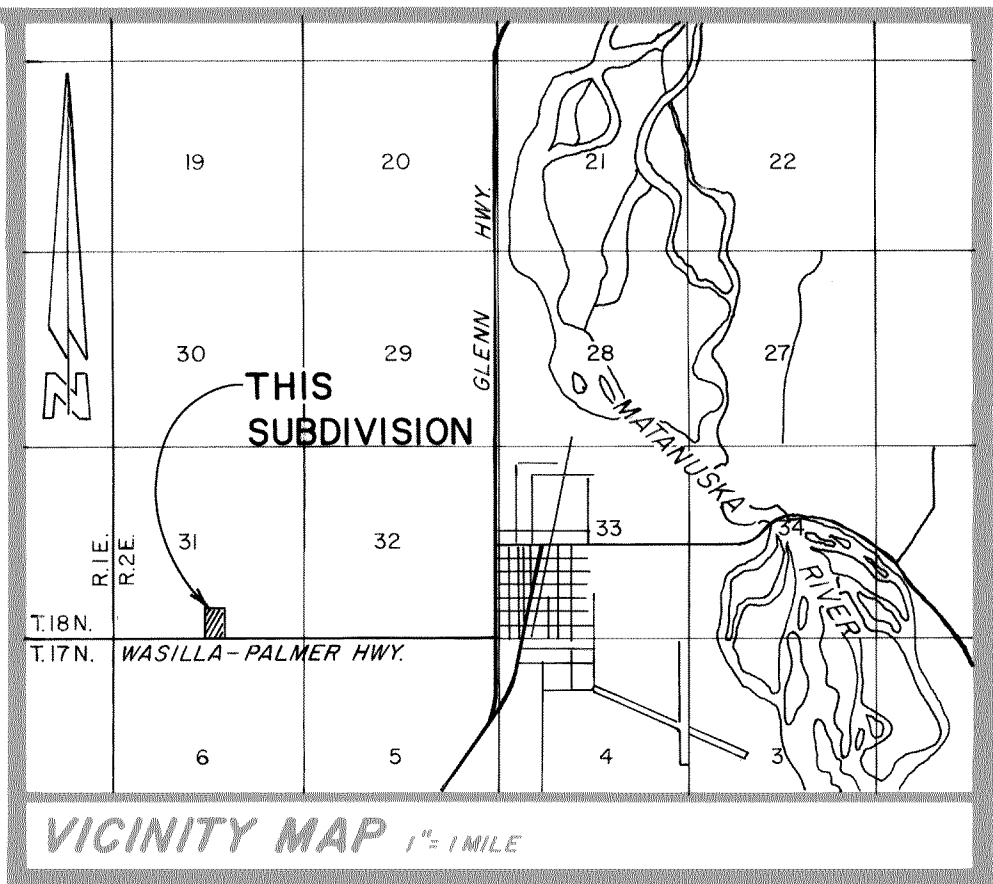
Address MATANUSKA - SUSITNA BOROUGH PALMER, ALASKA 99645

CERTIFICATE of APPROVAL by the ALASKA DEPARTMENT of ENVIRONMENTAL CONSERVATION

THIS SUBDIVISION HAS BEEN REVIEWED IN ACCORDANCE WITH 18 AAC 72.065 AND IS APPROVED, SUBJECT TO ANY NOTED RESTRICTIONS.

Paul E. Fennell District Supervisor August 1, 1983

SIGNATURE TITLE DATE



CERTIFICATE of OWNERSHIP & DEDICATION

WE HEREBY CERTIFY THAT WE HOLD THE HEREIN SPECIFIED PROPERTY INTEREST IN THE PROPERTY DESCRIBED HEREON. WE HEREBY DEDICATE TO THE MATANUSKA SUSITNA BOROUGH ALL AREAS DEPICTED FOR USE AS PUBLIC UTILITY EASEMENTS, STREETS, ALLEYS, THOROUGHFARES, PARKS, AND OTHER PUBLIC AREAS SHOWN HEREON.

WE HEREBY AGREE TO THIS PLAT, AND TO ANY RESTRICTIONS OR COVENANTS APPEARING HEREON AND ANY SUCH RESTRICTION OR COVENANT SHALL BE BINDING AND ENFORCEABLE AGAINST PRESENT AND SUCCESSIVE OWNERS OF THIS SUBDIVIDED PROPERTY.

John C. Mulder Linda C. Mulder
JOHN C. MULDER LINDA C. MULDER
4424 E. 6th AVE. 4424 E. 6th AVE.
ANCHORAGE, AK. 99504 ANCHORAGE AK. 99504

PERSONALLY APPEARED AND SWORN BEFORE ME THIS 17th DAY OF June 1983.

John C. Mulder Linda C. Mulder
JOHN C. MULDER LINDA C. MULDER

My Commission Expires 12-14-86 *Mary Lee Wiley* Notary Public, State of Alaska

PLANNING DIRECTOR CERTIFICATE

I CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH THE LAND SUBDIVISION REGULATIONS OF THE MATANUSKA SUSITNA BOROUGH, AND THAT THE PLAT HAS BEEN APPROVED BY PLATTING BOARD 8-15 1983 BY PLAT RESOLUTION No. 83-04-P DATED 8-15 1983, AND THAT THE PLAT SHOWN HEREON HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE RECORDER IN THE RECORDING DISTRICT IN WHICH THE PLAT IS LOCATED.

ATTEST:

Robert J. Stickler August 16, 1983 *Marilyn McShane* Planning Clerk
Chairman / Planning Director Matanuska-Susitna Borough Platting Board

CERTIFICATION of PAYMENT of TAXES

I HEREBY CERTIFY THAT ALL CURRENT BOROUGH TAXES AND SPECIAL ASSESSMENTS THROUGH December 31, 1983, AGAINST THE PROPERTY, INCLUDED IN THE SUBDIVISION OR RESUBDIVISION, HEREON HAVE BEEN PAID.

August 14, 1983 *Judy Brandt* Tax Collection Official

WATER SUPPLY and SEWAGE DISPOSAL

NO INDIVIDUAL WATER SUPPLY SYSTEM OR SEWAGE DISPOSAL SYSTEM SHALL BE PERMITTED ON ANY LOT UNLESS SUCH SYSTEM IS LOCATED, CONSTRUCTED AND EQUIPPED IN ACCORDANCE WITH THE REQUIREMENTS, STANDARDS AND RECOMMENDATIONS OF THE STATE OF ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION WHICH GOVERNS THOSE SYSTEMS.

RESTRICTIVE COVENANTS

RESTRICTIVE COVENANTS WERE RECORDED NOV. 6, 1981 AT THE PALMER RECORDING DISTRICT IN BOOK 248 PAGE 384

SURVEYOR'S CERTIFICATE

H. Paul Campbell CERTIFY THAT I AM A REGISTERED LAND SURVEYOR, THAT THIS PLAT IS A TRUE & CORRECT REPRESENTATION OF LANDS SURVEYED BY ME OR UNDER MY DIRECT SUPERVISION; THAT THE DISTANCES AND BEARINGS ARE SHOWN CORRECTLY AND THE ERROR OF CLOSURE FOR LAND TRAVERSES DOES NOT EXCEED ONE PART IN 5000; AND THAT ALL PERMANENT EXTERIOR CONTROL MONUMENTS, ALL OTHER MONUMENTS, AND LOT CORNERS HAVE BEEN SET AND STAKED.

H. Paul Campbell 8/27/83
Surveyor Date

A PLAT OF LOTS 1A, & 1B, BLOCK 1 A SUBDIVISION OF LOT 1, BLOCK 1, of the MONTE VISTA SUBDIVISION LOCATED IN THE W. 1/2 S.E. 1/4 of SECTION 31, T.18N. R.2E. S.M. CONTAINING 2.26 ACRES MORE OR LESS

SCALE: 1" = 40' DATE: 5-5-83

W.O. 83-7090 DRAWN: jdu
F.B. 83-7 CHK: P.C.

SILVERS ENGINEERING
ENGINEERS & SURVEYORS
CORPORATE PALMER, ALASKA 99645

AFFIDAVIT

I (we), hereby certify that I (we) hold the herein specified property interest in the property described as LOT 1 BLK 1 MONTE VISTA Subdivision. I (we) hereby dedicate to the Matanuska-Susitna Borough all areas depicted for use as public utility easements, streets, alleys, thoroughfares, parks, and other public areas shown on the plat.

I (we) hereby agree to this plat, and to any restrictions or covenants appearing thereon and any such restriction or covenants shall be binding and enforceable against present and successive owners of this subdivided property.

Julius H. Moor

Katherine Moor
name

LIEN HOLDER
interest in property

6522 IMLACH DRIVE
address

ANCH 99502

NOTARY ACKNOWLEDGEMENT

Personally appeared Julius H. Moor and Katherine Moor
Subscribed and sworn before me this 15th day of July, 1983.

[Signature]

Notary Public in and for the State of Alaska

4.23.86
My commission expires

Plat #83-159

RECORDED - FILED	1000
<u>Palmer</u>	REC. DIST.
DATE <u>8-16</u>	19 <u>83</u>
TIME <u>4:03</u>	P M
Requested by _____	
Address _____	
MATANUSKA - SUSITNA BOROUGH	
BOX B	
PALMER, ALASKA 99645	

223051



2005-006660-0

Recording Dist: 311 - Palmer

3/23/2005 8:30 AM Pages: 1 of 80

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CC

- PALMER RECORDING DISTRICT -

DECLARATION

FOR

MONTE VISTA

TOWNHOME CONDOMINIUMS

Return To:

John H. Tindall, Esq.
Tindall Bennett & Shoup, P.C.
508 W. Second Avenue, Third Floor
Anchorage, Alaska 99501

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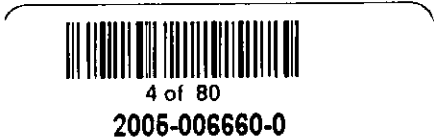
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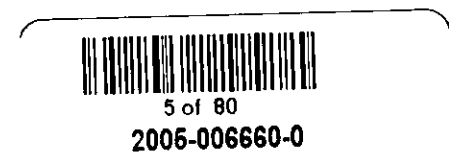
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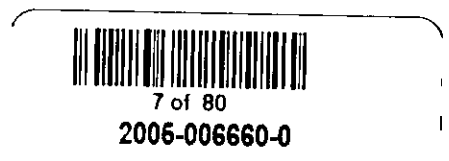
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DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
PURSUANT TO THE
UNIFORM COMMON INTEREST OWNERSHIP ACT
(AS 34.08, et seq.)

FOR

MONTE VISTA TOWNHOME CONDOMINIUMS

THIS DECLARATION is made on the 22ND day of March, 2005, by Carleson Homes and Development, Inc., hereinafter referred to as "Declarant."

Declarant is the owner of the real property described in Exhibit A and submits said real property to the provisions of the Uniform Common Interest Ownership Act (the "Act"), AS 34.08 of the Alaska Statutes, for the purpose of creating Monte Vista Townhome Condominiums.

ARTICLE 1.
DEFINITIONS

Section 1.1. ACT.

"Act" means the Uniform Common Interest Ownership Act, Title 34, Chapter 8, of the Alaska Statutes, and any amendment thereto.

Section 1.2. AFFILIATE OF DECLARANT.

"Affiliate of Declarant" means any person or entity which controls, is controlled by, or is under common control with, a Declarant. A person or an entity shall be deemed to control a Declarant if that person or entity (i) is a general partner, officer, director, or employee of Declarant; (ii) directly or indirectly are acting in concert with one or more persons, or through one or more subsidiaries, owns, controls, or holds with power to vote, or holds proxies representing, more than twenty percent (20%) of the voting shares of Declarant; (iii) controls in any manner the election of a majority of the directors of Declarant; or (iv) has contributed more than twenty percent (20%) of the capital of Declarant. A person or entity shall be deemed to be controlled by Declarant if Declarant (i) is a general partner, officer, director, or employee of that person or entity; (ii) directly or indirectly or acting in concert with one or more persons, or through one or more subsidiaries, owns, controls, or holds with power to vote, or holds proxies representing more than



twenty percent (20%) of the voting share of that person or entity; (iii) controls in any manner the election of a majority of the directors of that person or entity; or (iv) has contributed more than twenty percent (20%) of the capital of that person or entity.

Section 1.3. AHFC.

"AHFC" means Alaska Housing Finance Corporation.

Section 1.4. ALLOCATED INTERESTS.

"Allocated Interests" means the following interests allocated to each unit: the undivided interest in the Common Elements, the Common Expense Liability, and votes in the Association. The Allocated Interests are described in Article 7, *infra*, and are shown on Exhibit C attached hereto.

Section 1.5. ASSOCIATION.

"Association" means the Unit Owners' association, Monte Vista Townhome Condominium Association, a non-profit corporation organized under AS 10.20, *et seq.*, pursuant to AS 34.08.310.

Section 1.6. BYLAWS.

"Bylaws" means the bylaws of the Association, as they may be amended from time to time.

Section 1.7. COMMON ELEMENTS.

"Common Elements" means each portion of the Common Interest Community other than a Unit and other than real estate in which Declarant has reserved Development Rights. Common Elements are otherwise known as "common areas," and include the sidewalks, curbs, the paved street and real property in the Common Interest Community.

Section 1.8. COMMON EXPENSES.

"Common Expenses" means expenditures made by, or financial liabilities of, the Association, together with any allocations to reserves.

Section 1.9. COMMON EXPENSE LIABILITY.

"Common Expense Liability" means the liability for Common Expenses allocated to each Unit under AS 34.08.150.



Section 1.10. COMMON INTEREST COMMUNITY.

"Common Interest Community" means the real estate with respect to which a Person, by virtue of ownership of a Unit, is obligated to pay for real estate taxes, insurance premiums, maintenance, or Improvement of other real estate described in the Declaration. The Common Interest Community described herein is a condominium.

Section 1.11. DEALER.

"Dealer" means a person who owns either six or more units in the Common Interest Community or fifty percent (50%) or more of the units in the Common Interest Community.

Section 1.12. DECLARANT.

"Declarant" means Carleson Homes and Development, Inc., or its successor or transferee as described in AS 34.08.990(12).

Section 1.13. DECLARATION.

"Declaration" means this document, including its attachments, exhibits, and amendments, which creates the Common Interest Community.

Section 1.14. DEVELOPMENT RIGHT.

"Development Right" means a right or a combination of rights reserved by Declarant in the Declaration to: (a) add real estate to a Common Interest Community; (b) create Units, Common Elements, or Limited Common Elements within a Common Interest Community; (c) subdivide Units or convert Units into Common Elements; or (d) withdraw real estate from a Common Interest Community.

Section 1.15. DIRECTOR.

"Director" means a member of the Executive Board.

Section 1.16. DISPOSE.

"Dispose" means a voluntary transfer to a purchaser of any legal or equitable interest in a unit, but does not mean any transfer or release of a security interest.



Section 1.17. DOCUMENTS.

"Documents" means the Declaration, the Plans recorded and filed pursuant to the provisions of the Act, the Bylaws, and the Rules as they may be amended from time to time. Any exhibit or certification accompanying the Declaration, Plans, Bylaws and/or Rules is part of the Documents.

Section 1.18. ELIGIBLE INSURER.

"Eligible Insurer" means 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.

Section 1.19. ELIGIBLE MORTGAGEE.

"Eligible Mortgagee" means 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.

Section 1.20. EXECUTIVE BOARD.

"Executive Board" or "Board" means the Board of Directors of the Association.

Section 1.21. FHLMC

"FHLMC" means the Federal Home Loan Mortgage Corporation.

Section 1.22. FNMA

"FNMA" means the Federal National Mortgage Association.

Section 1.23. IMPROVEMENTS.

"Improvements" means any existing construction or facilities, or any facilities that are to be constructed, on the land which is described in Article 3. Improvements may include, but shall not be limited to, buildings, trees and shrubbery planted by the Declarant or the Association, landscaping, paving, sidewalks, additions, utility wires, pipes, and light poles. Fencing is also an Improvement as specified in this Declaration.



Section 1.24. IDENTIFYING NUMBER.

"Identifying Number" means the symbol or address that identifies only one Unit in the Common Interest Community.

Section 1.25. LIMITED COMMON ELEMENTS.

"Limited Common Elements" means the portion of the Common Elements allocated by the Declaration for the exclusive use of one or more but fewer than all of the Units.

Section 1.26. MAJORITY OF UNIT OWNERS.

"Majority of Unit Owners" means the owners of more than fifty percent (50%) of the votes in the Association.

Section 1.27. MANAGER.

"Manager" means a person, business, firm, or corporation employed, contracted, or otherwise engaged to perform management services for the Association.

Section 1.28. NOTICE AND COMMENT.

"Notice and Comment" means 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 on such action. The procedures for Notice and Comment are set forth in Section 23.2. of this Declaration.

Section 1.29. NOTICE AND HEARING.

"Notice and Hearing" means 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 on such action. The procedures for Notice and Hearing are set forth in Section 23.1. of this Declaration.

Section 1.30. PERSON.

"Person" means an individual, corporation, business trust, estate, trust, partnership, association, joint venture, government, government subdivision or agency, or other legal or commercial entity. In the case of a land trust, "Person" means the beneficiary of the land trust and not the land trust or its trustee.



Section 1.31. PLANS.

"Plans" means the plans, plat, and/or surveys required by AS 34.08.170 and recorded and attached to this Declaration as Exhibit B, as they may be amended from time to time.

Section 1.32. PROPERTY.

"Property" means the Common Interest Community, the real property described in Exhibit A, any real property added to the Common Interest Community by amendment, Improvements, easements, Units, rights, and appurtenances which have been submitted to the provisions of the Act by this Declaration.

Section 1.33. PURCHASER.

"Purchaser" means a Person, other than the Declarant or Dealer, who by means of a voluntary transfer acquires a legal or equitable interest in a Unit other than a leasehold interest, including renewal options, of less than forty (40) years, or a security for an obligation.

Section 1.34. RESIDENTIAL PURPOSES.

"Residential Purposes" means use for dwelling or recreational purposes, or both.

Section 1.35. RULES.

"Rules" means rules for the use of 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 1.36. SECURITY INTEREST.

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



Section 1.37. SPECIAL DECLARANT RIGHTS.

"Special Declarant Rights" means the rights reserved for the benefit of a Declarant to:

(a) complete Improvements indicated on the Plans filed with the Declaration;

(b) exercise any Development Right;

(c) convey utility and drainage easements to utility companies and the Matanuska-Susitna Borough, respectively, in Declarant's own name and on behalf of the Association; and convey public use easements in any Common Elements. As a condition of their purchase, all purchaser's are deemed to have consented to any such conveyances;

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

(e) use and maintain 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;

(f) make the Common Interest Community subject to a Master Association;

(g) merge or consolidate the Common Interest Community with another Common Interest Community of the same form of ownership; or

(h) appoint or remove an officer of the Association or a Master Association or any Executive Board member during any period of Declarant control.

Special Declarant Rights are more fully described in Article 6 of this Declaration.

Section 1.38. TIME SHARE.

"Time Share" means a right to occupy a Unit or any of several Units during five (5) or more separated time periods over a period of at least five years, including renewal options, whether or not coupled with an estate or interest in a Common Interest Community or a specified portion of a Common Interest Community.



Section 1.39. TRUSTEE.

"Trustee" means 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. If no Trustee has been designated, the Trustee will be the Executive Board, acting by majority vote, as executed by the president and attested by the secretary.

Section 1.40. UNIT.

"Unit" means a physical portion of the Common Interest Community designated for separate ownership or occupancy, the boundaries of which are described in Section 5.3 of this Declaration.

Section 1.41. UNIT OWNER.

"Unit Owner" means the Declarant or other Person who owns a Unit or holds the possessory interest under a real estate purchase contract. "Unit Owner" does not include a Person having an interest in a Unit solely as security for an obligation, nor does "Unit Owner" include a Person having a leasehold interest, including renewal options, of less than forty (40) years in a unit. The Declarant is the initial owner of the Units created by this Declaration.

ARTICLE 2.

NAMES OF THE COMMON INTEREST
COMMUNITY AND ASSOCIATION

Section 2.1. COMMON INTEREST COMMUNITY.

The name of the Common Interest Community is Monte Vista Townhome Condominiums.

Section 2.2. ASSOCIATION.

The name of the Association is Monte Vista Townhome Condominium Association, a non-profit corporation organized under the laws of the State of Alaska.



ARTICLE 3.
DESCRIPTION OF REAL ESTATE

The Common Interest Community is situated in the Matanuska-Susitna Borough, State of Alaska, and includes the real property described in Exhibit A.

ARTICLE 4.
PERSONS SUBJECT TO DOCUMENTS AND THE ACT

Section 4.1. COMPLIANCE WITH DOCUMENTS.

All Unit Owners, tenants, mortgagees, and occupants of the Units shall comply with the Documents and the Act. The acceptance of a deed, the entering into a lease, the exercise of any incident of ownership, 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. All Documents recorded in the Palmer 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 or estate in any Unit of the Common Interest Community.

Section 4.2. COMPLIANCE WITH RULES.

Subject to Notice and Comment, the Executive Board may adopt Rules regarding the use and occupancy of Units, Common Elements, Limited Common Elements, and the activities of occupants of the Units. All Unit Owners, tenants, mortgagees, and occupants of the Units shall comply with the Rules.

ARTICLE 5.
NUMBER OF UNITS, UNIT IDENTIFICATION, AND UNIT BOUNDARIES

Section 5.1. NUMBER OF UNITS.

Upon creation, the Common Interest Community contains four (4) Units. Twelve (12) additional Units may be added to the Common Interest Community if Declarant exercises its Development Rights and submits additional Units to the Common Interest Community. Declarant reserves the right to develop a total of sixteen (16) Units in the Common Interest Community. Declarant does not guarantee that all of these Units will be developed.



Section 5.2. UNIT IDENTIFICATION.

All Units have an Identifying Number. These numbers are shown on the Plans and incorporate the street address associated with each Unit.

Section 5.3. UNIT BOUNDARIES.

The boundaries of each Unit created by this Declaration are located as shown on the Plans and are more particularly described as follows:

(a) As reflected in the Plans, walls, floors, and ceilings are designated as boundaries of the Units.

(b) The lathe, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring, and other materials which are part of the finished surfaces of the walls, floors, or ceilings constituting the boundaries of the Unit are a part of the Unit, and all other portions of said walls, floors, or ceilings are a part of the Common Elements.

(c) If a chute, flue, duct, wire, conduit, bearing wall, bearing column, or other fixture lies partially within and partially outside the designated boundaries of a Unit, the portion serving only the Unit is a Limited Common Element allocated solely to the Unit, and any portion serving more than one Unit but less than all the Units is a Limited Common Element allocated equally to the Unit it serves.

(d) Subject to subsection 5.3(c) hereof, spaces, interior partitions, and other fixtures and Improvements within the boundaries of a Unit are a part of the Unit.

(e) Shutters, awnings, window boxes, doorsteps, stoops, porches, decks, balconies, patios, and each exterior door and window or other fixture designed to serve a single Unit that is located outside the boundaries of the Unit, are Limited Common Elements allocated exclusively to the Unit.

(f) Except when specifically included by other provisions of this section, the following are excluded from each Unit: the spaces and improvements lying outside of the boundaries described above.



Section 5.4. INCONSISTENCY WITH PLANS.

If this definition of Unit Boundaries is inconsistent with the Plans, then this definition shall control.

ARTICLE 6.
SPECIAL DECLARANT RIGHTS AND DEVELOPMENT RIGHTS

Section 6.1. 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) complete Improvements indicated in the Plans filed with the Declaration, as they may be amended;

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

(c) convey utility and drainage easements to utility companies and the Matanuska-Susitna Borough, respectively, in Declarant's own name and on behalf of the Association; and convey public use easements in any Common Elements. As a condition of their purchase, all purchasers are deemed to have consented to any such conveyances;

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

(e) use and maintain 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;

(f) make the Common Interest Community subject to a Master Association;

(g) merge or consolidate the Common Interest Community with another Common Interest Community of the same form of ownership; or

(h) appoint or remove an officer of the Association or any Executive Board member during any period of Declarant control.



Section 6.6. DECLARANT'S EASEMENT FOR CONSTRUCTION.

The Declarant reserves the right to perform warranty work, repairs, 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 the completion of any such repair or work. All work may be performed by the Declarant without the consent or approval of the Executive Board. The Declarant has an easement through the Common Elements as may be reasonably necessary for the purpose of discharging the Declarant's obligations or exercising any Development or Special Declarant Rights, whether arising under the Act or reserved in this Declaration. Such easement also includes the Declarant's right to convey utility and drainage easements to public utilities, municipalities, the State, riparian owners, or upland owners.

Section 6.7. SALES ACTIVITIES.

Notwithstanding any contrary provisions of Section 11.6, the Declarant reserves the right to post signs and displays in the Common Elements to promote sales of Units, and to conduct general sales activities, in a manner which does not unreasonably disturb Unit Owners' rights.

Section 6.8. UNIT OWNERSHIP BY DECLARANT.

Until Declarant no longer owns any Units in the Common Interest Community, the Declarant and its duly authorized agents, representatives, and/or 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.

Subject to Declarant's rights described in this Declaration, Declarant enjoys the same rights and assumes the same duties as they relate to individual Units which have not been conveyed to Unit Owners other than Declarant.

Section 6.9. DECLARANT CONTROL.

(a) Subject to subsection 6.9(b) hereof, there shall be a period of Declarant control of the Association, during which the Declarant, or any Person designated by it, may, in its sole discretion, appoint and remove the officers and members of the Executive Board and/or officers of the Association, and any Association representative to the Master Association. The period



of Declarant control shall terminate as required by the Act and 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 a Declarant;

(ii) two (2) years after all Declarants have 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 in the Common Interest Community is conveyed to Unit Owners other than a 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 a Declarant, at least one 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 a Declarant, not less than thirty-three and one-third percent (33 1/3%) 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 shall 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 any meeting of the Unit Owners at which a



quorum is present, may remove any member of the Executive Board with or without cause, other than a member appointed by the Declarant.

Section 6.10. TRANSFERENCE OF DECLARANT RIGHTS.

Declarant may transfer any and all rights reserved by this Declaration to a transferee Declarant pursuant to AS 34.08.350.

Section 6.11. LIMITATIONS.

(a) The Declarant or Affiliate of Declarant may not bind the Association to any management contract, employment contract, lease of facilities, licenses, or other contracts or leases unless the Association has the right of termination thereof, exercisable without penalty with not more than ninety (90) days' notice to the other party.

(b) Unless Declarant has previously terminated its Special Declarant Rights by recorded instrument or unless sooner terminated by the Act, any Special Declarant Right, except for Development Rights, may be exercised by the Declarant so long as: (1) the Declarant is obligated under any warranty or obligation, owns any Units, or has any Security Interest in any Units; or (2) for twenty (20) years after recording the original Declaration, as long as Declarant continues to be obligated under any warranty or obligation, own any Units, or continues to have any Security Interest in any Units.

Section 6.12. CONSTRUCTION OF MAILBOXES.

Declarant reserves the right and has an easement on any portion of the Common Interest Community to construct centralized mailbox facilities for the Units and any necessary appurtenances.

Section 6.13. GOVERNMENTAL INTERESTS.

So long as the Declarant owns any Property described on Exhibit A or added by amendment to the Common Interest Community, the Declarant may designate sites within the Properties for fire, police, utility facilities, public schools and parks, and other public facilities. The sites may include Common Elements.



Section 6.14. CONFLICT.

If any provisions of this Article conflict with other provisions of this Declaration, this Article shall control.

ARTICLE 7.
ALLOCATED INTERESTS

Section 7.1. TABLE OF ALLOCATED INTERESTS.

The Table of Allocated Interests, attached as Exhibit C, reflects Units and their Allocated Interests. These interests have been allocated in accordance with the formulas set out in this Article.

Section 7.2. ALLOCATION FORMULAS.

(a) Votes. Each Unit in the Common Interest Community shall have one equal vote.

(b) Undivided Interests. The percentage of liability for any Common Expenses and for the undivided interest in the Common Elements allocated to each Unit is an equal percentage interest derived by dividing the total number of Units in the Common Interest Community into one hundred percent (100%). The specified percentage is set forth in Exhibit C. When Units are added to or removed from the Common Interest Community, the above formula shall be used in reallocating interest and liabilities of Units and a revised Exhibit C shall be recorded in an amendment to the Declaration. Nothing in this subsection shall preclude apportionment of Common Expenses pursuant to Article 8.

ARTICLE 8.
COMMON EXPENSE ASSESSMENT AND COLLECTION

Section 8.1. COMMON EXPENSE APPORTIONMENT.

Except as otherwise provided in Section 8.3, any Common Expenses shall be assessed against all Units in accordance with their percentage interest in the Common Expenses. See Table of Interest, attached as Exhibit C.

Section 8.2. PURPOSE OF ASSESSMENTS.

The assessments provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Unit Owners,



including the maintenance of real and personal property, and all as may be more specifically authorized from time to time in the form of special assessments by the Board. Special assessments include the provision of such necessary items as exterior painting, lawns, roofing, and reinforcing of the structural integrity of buildings.

Section 8.3. APPORTIONMENT OF COMMON EXPENSES TO LESS THAN ALL UNITS.

(a) Any Common Expenses associated with the maintenance, repair, or replacement of any Limited Common Element which serves exclusively one Unit shall be assessed against that Unit. If any Limited Common Element serves more than one Unit, but less than all Units, the Common Expenses attributable to the Limited Common Element shall be assessed equally among the Units it serves.

(b) Any Common Expenses for services provided by the Association for the benefit of an individual Unit at the request of the individual Unit Owner shall be assessed against said Unit.

(c) If an expense to the Association is caused by the misconduct of a Unit Owner, the Unit Owner's family members, guests, or invitees, the Association may assess that expense exclusively against the Unit.

(d) Any Common Expense insurance premium increase attributable to a particular Unit by virtue of activities in the Unit or by the Unit Owner, or by a Unit Owner's loss history, shall be assessed against that Unit.

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

(f) Any 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 8.4. LIEN.

(a) The Association shall have a lien on a Unit for any assessment levied against the Unit and/or for any fines, fees, charges, late charges, collection costs, and/or interest imposed against its Unit Owner from the time any such assessment or fines,



fees, charges, late charges, collection costs, and/or interest become due. The full amount of the assessment, fines, fees, charges, late charges, collection costs, and/or interest is a lien from the time the first installment thereof becomes due. Subject to subsection 8.4.(h), liens under this section are not affected by sale or transfer of a Unit.

(b) The recordation of this Declaration constitutes record notice and perfection of the lien. This Section does not require further recording of a claim of lien for assessment.

(c) The Association's lien must be foreclosed pursuant to AS 34.35.005 as it may be amended from time to time.

(d) A lien under this Section is prior to all other liens and encumbrances on a Unit except: (1) a first Security Interest on a Unit recorded before the date on which the assessments sought to be enforced became delinquent, unless such assessments, based on the periodic budget adopted by the Association pursuant to Section 8.5., would have become due in the absence of acceleration during the six (6) months immediately preceding institution of an action to enforce either the Association's lien or a Security Interest described in this Section; (2) liens for real estate taxes and other governmental assessments or charges against the Unit; and (3) liens and encumbrances recorded before the recordation of the Declaration.

This subsection does not affect the priority of mechanic's 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.

(e) Subject to subsection 8.4.(f), a lien for an unpaid assessment is extinguished unless proceedings to enforce the lien are instituted within three (3) years after the full amount of the assessment becomes due.

(f) If an Owner of a Unit subject to a lien under this Section files a petition for relief under the United States 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 Section 362 of the Bankruptcy Code is lifted.

(g) This section shall not be construed to prohibit an action to recover sums for which subsection 8.4.(a) creates a lien



or prohibit the Association from taking a deed in lieu of foreclosure.

(h) If a holder of a first or second Security Interest in a Unit forecloses that Security Interest, the purchaser at the foreclosure sale is not liable for any unpaid assessments against that Unit which became due before the sale, other than the assessments which are prior to that Security Interest under subsection 8.4.(d). Any unpaid assessments not satisfied from the proceeds of the foreclosure sale become Common Expenses collectible from all the Unit Owners, including said purchaser. "Purchaser" for purposes of this subsection, includes any Security Interest holder that obtains title through foreclosure.

(i) If the Association commences any action to foreclose a lien for unpaid assessments or to otherwise collect assessments, the court may appoint a receiver of the Unit Owner. The court may then order the receiver to: (1) collect all sums alleged to be due from the Unit Owner prior to or during the pendency of the action; (2) 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; and (3) take any other actions consistent with this Declaration and the Act.

(j) A judgment or decree in any action brought under this Section shall include costs and reasonable attorney's fees for the prevailing party and is enforceable by execution under AS 09.35.010.

(k) If the Association forecloses on a Unit pursuant to this Section for unpaid assessments, the Association may hold, mortgage, lease, and convey such Unit.

(l) Any payments received by the Association in the discharge of a Unit Owner's obligation may be applied first to interest, late charges, collection costs, fines, and fees, and then to the oldest balance due from the Unit Owner for Common Expense assessments.

Section 8.5. ADOPTION AND RATIFICATION OF PROPOSED BUDGET.

Within thirty (30) days after adoption of a proposed budget for the Common Interest Community, the Executive Board shall mail or otherwise provide a summary of the proposed budget to each Unit Owner, and shall set a date for a meeting fourteen (14) to thirty (30) days from mailing or otherwise providing the summaries



to the Unit Owners, for the Unit Owners to consider ratification of the budget. Unless a Majority of Unit Owners reject the proposed budget at that meeting, the budget is ratified. 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 8.6. NONBUDGETED COMMON EXPENSES.

If the Executive Board votes to levy a Common Expense assessment not included in the current budget and not attributable to fewer than all Units as described in Section 8.3., the Common Expense assessment shall be submitted to the Unit Owners and ratified in accordance with Section 8.5.

Section 8.7. CERTIFICATION OF UNPAID ASSESSMENTS.

Upon a Unit Owner's written request, the Association shall provide a statement in recordable form setting out the amount of unpaid assessments against the Unit. The Association must provide the statement within ten (10) business days after it receives the Unit Owner's request and is binding on the Association, the Executive Board, and each Unit Owner.

Section 8.8. COMMON EXPENSES TO BE PAID MONTHLY.

All Common Expenses assessed under this Section shall be due and payable monthly.

Section 8.9. ASSESSMENT RESERVE FUND.

Declarant shall establish a reserve fund in an amount at least equal to the projected assessments for a two-month period for each Unit in the Common Interest Community. Upon the first conveyance of record title to a Unit from Declarant, the Unit Owner shall contribute to the Association's reserve fund for said Unit an amount at least two times the monthly assessment in effect at the time of sale but no less than the amount originally contributed by Declarant in establishing the reserve fund for said Unit. Upon the sale of each Unit from the Declarant to a Unit Owner, Declarant shall receive from the Association reserve fund a refund of the contribution to the reserve fund made by Declarant for such Unit.

The Association shall maintain the reserve funds in a segregated account to meet unforeseen expenditures or to acquire additional equipment or services for the benefit of the Unit Owners. Any payments to this fund shall not be considered advance



payments of monthly assessments and, except for refunds to Declarant, shall not be refundable. Except as expressly provided by the Documents, Declarant may not use any reserve funds to defray any of its expenses, reserve contributions, or construction costs or to make up any budget deficits while it is in control of the Association.

Upon the sale of each Unit from the Declarant to a Unit Owner, the Unit Owner shall, in addition to contributing the amount specified previously in this section, pay to the Association the regular monthly assessment in effect at the time of sale, the purpose being to have available at all times for the Association a reserve fund equal to two (2) months of assessments for each Unit. The reserve fund shall be maintained at all times, just as a reserve for taxes and insurance is so maintained.

Section 8.10. ACCELERATION.

In the event of a Unit Owner's default for a period of ten (10) days or more on 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 for that Unit to be immediately due and payable.

Section 8.11. COMMENCEMENT OF ASSESSMENTS.

Common Expense assessments shall commence on the first day of the month in which the first Unit is conveyed to a Unit Owner other than the Declarant.

Section 8.12. NO EXEMPTION FROM COMMON EXPENSES.

Unit Owners may not exempt themselves from liability for payment of the Common Expenses by either waiver of the use or enjoyment of the Common Elements or by abandonment of their Units.

Section 8.13. PERSONAL LIABILITY FOR ASSESSMENTS.

A Unit Owner is personally liable for the Common Expense assessments which become due and payable during his or her ownership of the Unit. In absence of a successor's written agreement to assume a Unit Owner's obligation, personal liability for such assessments shall not pass to a successor in title to the Unit.



ARTICLE 9.
MAINTENANCE AND REPAIR

Section 9.1. UNITS.

Each Unit Owner shall maintain, repair, and replace, at his or her own expense, all portions of his or her Unit, except the portions thereof which may otherwise be required by this Declaration or by the Association to be maintained, repaired or replaced by other Persons.

Section 9.2. COMMON ELEMENTS.

The Association shall maintain, repair and replace all of the Common Elements, except the Limited Common Elements or other Common Elements which are required by this Declaration to be maintained, repaired or replaced by less than all Unit Owners.

Common Elements which are specifically identified for maintenance, repairing and replacement include the driveway, and exterior paint and roof of the buildings. Lawns are also to receive special attention. The upkeep of these and other Common Elements are essential to the aesthetic integrity of the Common Interest Community.

Section 9.3. LIMITED COMMON ELEMENTS.

Common Expenses associated with the maintenance, cleaning, repair, or replacement of all Limited Common Elements will be assessed against the Units to which the Limited Common Elements are assigned herein.

Care of a backyard or the area immediately behind a Unit is the responsibility of the Association. The "backyard" of a Unit is bordered by the Property immediately behind its neighboring Units and proportioned equally among those Units. If, however, the "backyard" or portion thereof is fenced for a Unit Owner, care of the area or Property fenced and of the fence itself will be the responsibility of the Unit Owner.

Section 9.4. FENCES AND FENCING.

Declarant reserves the right to fence the backyard or area immediately behind a Unit, at the request of the owner of the Unit. All fences and fencing, as a Limited Common Element or creating a Limited Common Element, must otherwise be approved by the Board. Such approval includes, but is not limited to, the



purpose of the fencing, and the type and materials used for the fence.

Section 9.5. RIGHT OF 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 any installations, alterations, repairs, and/or utility work to include meter reading, equipment, upgrades, and/or repairs, provided that requests in advance for entry are made and that any such entry is at a reasonably convenient time for the affected Unit Owner except in cases of emergencies, where 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 9.6. NEGLIGENCE.

Each Unit Owner will reimburse the Association for any damages to any other Unit or to the Common Elements caused by that Unit Owner's: intent or negligence; failure to properly maintain, repair, or make replacements to his or her Unit or to the Limited Common Elements assigned to his or her Unit; or failure to permit timely access to his or her Unit by any Person authorized such access by Section 9.5. The Association shall assess expenses to the responsible Unit Owners only after Notice and Hearing.

The Association will be responsible for damage to Units caused by its intent, negligence, or by its failure to maintain, repair, or make replacements to the Common Elements.

ARTICLE 10.

CONVEYANCE OR ENCUMBRANCE OF COMMON ELEMENTS

Section 10.1. UNIT OWNER AGREEMENT.

Subject to other provisions of the Act, and subsection 18.7.(d)(i) of the Declaration, portions of the 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 a Declarant, agree to the action, but each Unit Owner to which a Limited Common Element is allocated must agree in order to convey such Limited Common Element or subject it to a Security Interest. The proceeds of the sale or



any loan secured by the encumbrance or sale of any Common Elements are assets of the Association.

Section 10.2. RECORDATION OF AGREEMENT.

An agreement to convey the Common Elements or to subject the Common Elements to a Security Interest must be evidenced by the execution of an agreement, or ratifications 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 the date. The agreement and each ratification of the agreement must be recorded in the Palmer Recording District and is effective only upon recording.

Section 10.3. CONTRACTS BY THE ASSOCIATION.

The Association, on behalf of the Unit Owners, may contract to convey an interest in the Common Interest Community pursuant to Section 10.1., but such contract is not enforceable against the Association until approved, ratified, and recorded pursuant to Sections 10.1. and 10.2. After such approval, ratification, and recordation, the Association shall have the powers necessary and appropriate to effect the conveyance or encumbrance, including the power to execute a deed or other instrument.

Section 10.4. UNIT INTEREST IN THE COMMON ELEMENTS.

Any conveyance, encumbrance, judicial sale, or other transfer (voluntary or involuntary) of an individual interest in the Common Elements will be void unless the Unit to which that interest is allocated is also transferred.

ARTICLE 11.
RESTRICTIONS ON USE, OCCUPANCY, AND ALIENATION

Section 11.1. SINGLE-FAMILY RESIDENCE.

Residences shall be used exclusively for single-family Residential Purposes except as provided for in Section 11.14.

Section 11.2. NUISANCES.

No noxious, offensive, dangerous or unsafe activity shall be carried on within a Unit or upon any portion of the land subject to this Declaration, nor shall anything be done therein which might be, or which may become, an annoyance or nuisance to the Common



Interest Community. No Unit Owner or occupant of a Unit shall make or permit disturbing noises on a Unit by himself or herself, his or her family, servants, employees, agents, visitors or licensees, nor do or permit anything to be done by such persons that would interfere with the rights, comforts or convenience of other Unit Owners or occupants. No Unit Owner or occupant shall play within a Unit, or suffer to be played within a Unit, any musical instrument, or operate, or suffer to be operated, any phonograph, amplified sound system, television set or radio at such high volume or in such a manner that would cause unreasonable disturbance by the Unit Owners or occupants outside of the buildings or on adjoining Units within the buildings.

Such nuisances include the use of any heavy equipment or derelict automobiles.

Section 11.3. WASTE REMOVAL.

Trash, garbage, refuse, or other waste shall be disposed of through a household garbage disposal or wrapped in a secure package and deposited into a designated trash container. No owner of a Unit shall permit or cause any trash, garbage, refuse, or other waste to be disposed of on any portion of the Property except in a designated trash container. No portion of the Property shall be used for the storage of building materials, refuse, or any other materials other than in connection with approved construction. Storage of trash will not be permitted within or outside any portion of a building in such manner as to support the spread of fire or encouragement of vermin in the building.

Section 11.4. ELECTRICAL MISUSE.

No electrical device creating electrical overloading of standard circuits may be used without permission of the Board. Misuse or abuse of appliances or fixtures within a Unit which affects other Units or the Common Elements is prohibited. Any damage resulting from such misuse shall be the responsibility of the Unit Owner from whose Unit the damage was caused.

Section 11.5. VEHICLE RESTRICTIONS.

No wrecked, inoperative, vandalized, or otherwise derelict-appearing automobiles shall be kept, placed, stored, or maintained upon any land subject to this Declaration. Operable vehicles (including a Unit Owner's and a Unit Owner's guest's), trucks, trailers, truck campers, detached camper units, boats, and



commercial vehicles shall be kept, placed, stored, or maintained within a Unit's garage or in a Unit's driveway.

Section 11.6. SIGNS.

Subject to Section 6.7., no signs of any kind shall be displayed to the public on any land subject to this Declaration, except that a Unit Owner may post one sign of not more than five (5) square feet advertising his or her Unit for sale or rent, and Declarant may post one sign per lot, not to exceed twenty-five (25) square feet to advertise Units until they are first sold to a Unit Owner other than Declarant.

Section 11.7. PET REGULATIONS.

No animals, livestock, or poultry of any kind shall be raised, bred, or kept in any Unit, except domestic dogs, cats, or other normal household pets, provided that they are not kept, bred, or maintained for commercial purposes, and provided that all dogs shall be restrained as necessary to prevent them from becoming a nuisance. Except as otherwise provided in writing by the Executive Board, no more than two dogs, or one dog and one cat, or two cats may be kept in any Unit or on any Limited Common Element of any Unit. The Association shall have the right to prohibit maintenance of any animal which constitutes, in the opinion of the Executive Board, a nuisance to any other Unit Owner. Any Unit Owner shall be liable to each and all other Unit Owners, their families, guests and invitees, for any damage to person or property caused by any pets brought or kept upon the property by an owner, his or her family members, guests, licensees, or invitees.

Section 11.8. EXTERIOR INSTALLATIONS.

No outside pole or antenna shall be erected or maintained without first obtaining the approval of the Executive Board. No air conditioning or other machine shall be installed on the exterior of any Improvement on the Property or be allowed to protrude through the walls or roof of any Improvement on the Property without the prior written approval of the Executive Board. No basketball standards or other athletic fixtures shall be attached to any residence or Improvement on the Property without the prior written approval of the Executive Board.

Section 11.9. EXTERIOR PAINTING.

Unit Owners shall not paint or otherwise change the color of any exterior of any building to a color other than that



originally sold by the Declarant, without the prior approval of the Executive Board.

Section 11.10. EXTERIOR SURFACES AND OUTSIDE WALLS.

No alterations, additions or improvements may be made to the exterior surface or outside the buildings without the prior approval of the Executive Board. Nothing shall be hung from the exterior walls, windows or patios or hung from or on any of the windows, doors or patios other than the national flag, or holiday decorations on doors only. No washing shall be hung outside of the building or exposed or placed on the outside walls, floor of a building or on trees, nor shall any rugs or mops be shaken or hung from windows, doors, balconies, patios or terraces of any building.

Section 11.11. ATTICS.

Unit Owners' entry into the attic areas is prohibited without prior written approval of the Board.

Section 11.12. PRESERVATION AND CLEANLINESS.

Each Unit Owner shall keep his or her Unit in a good state of preservation and cleanliness.

Section 11.13. PARTIES AND BARBEQUING.

Holding a lawn or other type of party, or barbequing, by a Unit Owner on the backyard of another Unit Owner is prohibited. A backyard of a Unit is the area adjacent to and behind the Unit, as shown in the Plans and otherwise described as part of the "unit boundary dimension" on which the Unit is situated.

Section 11.14. BUSINESS ACTIVITY.

Because the Units are restricted to Residential Purposes, activities of a commercial nature are generally prohibited within the Common Interest Community.

No business or commercial activity shall be maintained or conducted in any residence, except that: (1) Declarant, or a person designated by the Association as agent of the Association for purposes of managing the property, may maintain management offices and facilities in a residence; or (2) Unit Owners may engage in home professional pursuits not requiring regular visits from the public or unreasonable levels of mail, shipping, trash, or storage, provided that there exists no external evidence thereof.



Section 11.15. TIME SHARING PLAN.

Conveyance of a Unit pursuant to a time-sharing plan is prohibited.

Section 11.16. UNIT LEASING.

Any Unit Owner may lease his or her Unit to a third party, but such a lease arrangement must be in writing, must be for a term of more than sixty (60) days, must comply with the terms of the Documents, must not be for transient or hotel purposes, must provide that the failure to comply in all respects with the Documents shall be a default under the terms of the lease, and must be approved by the Executive Board. Any Unit Owner who wishes to lease his or her Unit to a third party must submit a copy of the lease to the Executive Board. The Executive Board's approval of any Unit Owner's lease may not be unreasonably withheld; however, the Executive Board may, without limitation, disapprove leases which may effect any Unit's eligibility for any type of AHFC, FHA, HUD, FNMA, FHLMC, or VA financing.

Section 11.17. HOLD HARMLESS AND INDEMNIFICATION.

As described in Section 9.6, Unit Owners will be liable to the Association for any damages to the Common Elements, including water and sewer extension lines, or to any equipment on the Common Elements caused negligently or intentionally by themselves, their families, their occupants, their guests, or their invitees. By the acceptance of his or her deed, each Unit Owner further agrees to indemnify each and every other Unit Owner, and to hold each and every other Unit Owner harmless from any claim of any Person for personal injuries or property damage occurring within the residence of the Unit Owner, unless said injury or damage occurs by reason of the negligence or intent of any other Unit Owner, and each Unit Owner further agrees to defend, at his or her expense, any and all remaining Unit Owners who may be sued by any Person for a claim for personal injury or property damage alleged to have been sustained within the Unit of that Unit Owner. Unit Owners shall comply with and conform to all applicable laws and regulations of the United States and of the State of Alaska and all ordinances of the Matanuska-Susitna Borough. Unit Owners shall hold harmless the Association and other Unit Owners from all fines, penalties, costs, and prosecutions for their violations, noncompliance, and/or their use of the property.



ARTICLE 12.
ALLOCATION/REALLOCATION
OF LIMITED COMMON ELEMENTS

A Common Element not previously allocated as a Limited Common Element may be so allocated in accordance with the procedures outlined in Article 15 of this Declaration. Such allocations will be made by amendment to the Declaration. The amendment must specify to which Unit or Units the Limited Common Element(s) is (are) allocated.

No Limited Common Element depicted on the Plans may be reallocated by an amendment to this Declaration pursuant to this Article without the consent of all affected Unit Owners.

Such an amendment shall require the approval and written endorsement of all holders of Security Interests in the affected Units. The Person executing the amendment shall provide an executed copy of the amendment to the Association. Provided that the amendment complies with the provisions of this Declaration and the Act, the Executive Board shall record it. The amendment shall contain words of conveyance and must be recorded and indexed in the names of the parties and the Common Interest Community.

The parties executing the amendment shall be responsible for the preparation of the amendment and shall reimburse the Association for its reasonable attorney's and consultant's fees in connection with any review of the amendment and for the recording costs.

ARTICLE 13.
EASEMENTS, COVENANTS, AND LICENSES

Section 13.1. GENERAL.

Easements, covenants, and/or licenses to which the Common Interest Community is presently subject are recited in Exhibit D to this Declaration and/or are shown on the Plans attached hereto. Declarant may subject the Common Interest Community to additional easements pursuant to Article 6.

Section 13.2. UNIT OWNERS' EASEMENTS.

Declarant expressly reserves, for the benefit of the Unit Owners and the Association, reciprocal easements of access, ingress, and egress over all of the Common Elements. Such easements may be used by Declarant's successors, purchasers, and



all Unit Owners, their guests, tenants, and invitees, residing or temporarily visiting the Common Interest Community, for pedestrian walkways, vehicular access, and such other purposes reasonably necessary for the use and enjoyment of a Unit and the Association. Such easements shall be appurtenant to, and shall pass and run 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 Plans or otherwise described herein as Limited Common Elements, as assigned to each Unit Owner for his or her numbered unit. If any Limited Common Element is assigned to more than one (1) Unit, but less than all Units, the exclusive easement to such Limited Common Element shall be held jointly by the Units to which it is assigned.

All building walls shall be considered to adjoin and abut the wall of the contiguous Unit against the surface from the bottom of the foundation of the building. A Unit Owner's right of use of said wall shall be as not to interfere with the use and enjoyment of the Owners of adjoining Units, 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 Unit Owners, the same shall be repaired or rebuilt at their joint and equal expense.

Section 13.3. LIMITATIONS ON UNIT OWNERS' EASEMENTS.

In the event any portion of the Common Elements encroaches upon any Unit, or any Unit or Improvement, at no fault of the Unit Owner, encroaches upon the Common Elements, as a result of the construction, reconstruction, repair, shifting, settlement or movement of any portion of the Common Interest Community, a valid easement for the encroachment and for the maintenance of the same shall exist so long as the encroachment exists.

The Association may, subject to other provisions of this Declaration and the Act, pledge, mortgage, assign, grant, or hypothecate a Security Interest in the Common Elements. The Unit Owners' easements are further limited by the right of the Association to charge fees for a Unit Owner's use of the Common Elements if such use is substantially different from the use offered to other Unit Owners and involves additional expense to the Association. The Association may, for example, charge fees for a Unit Owner's use of recreational vehicle parking spaces located on a portion of the Common Elements. The Unit Owners' easements are also limited by the Association's right to administer the Common Elements for the safety, health, and mutual benefit of the Unit



Owners. Finally, the Unit Owners' easements are limited by the right of the Association to grant licenses to Persons for the use of Common Elements.

The Unit Owners' easements are limited by and subject to all other provisions of this Declaration and the Act.

ARTICLE 14.
IMPROVEMENTS AND ADDITIONS

Section 14.1. BOARD APPROVAL.

Excepting alterations or Improvements to the interior of Units, no replacement, addition, alteration, or removal of any building, structure, fence, drainage facility, on common or limited-common element landscaping or planting shall be effected in the Common Interest Community by any Unit Owner other than by Declarant until the plans, and specifications showing the location and nature of such replacement, addition, alteration, or removal have been submitted to, and approved in writing by, the Board; nor shall any exterior painting or decorative alteration be commenced on any Unit other than by Declarant until the Board has approved the plans therefor, including, without limitation, the design, proposed color schemes, and the quality of the materials to be used.

All such plans and specifications shall be, if the Board so requires, prepared by an architect or landscape architect or licensed building designer, said architect and/or designer to be employed by the Unit Owner making application at his or her sole expense. Plans and any resubmittals required by the Board shall be approved or disapproved by the Board within forty-five (45) days of their submittal or resubmittal. Failure of the Board to respond to a submittal or resubmittal of plans within such period shall be deemed disapproval of the plans as submitted or resubmitted. If the Board grants approval, it shall be conclusively presumed that the location and height of any Improvement as approved does not violate the provisions of this Declaration.

The approval of the plans and specifications may be withheld, not only because of noncompliance with any of the specific conditions, covenants, and restrictions contained in this Declaration, but also because of the Board's reasonable dissatisfaction with the location, elevation, color scheme, finish, design, proportions, conformity with any architectural control standards, shape, height style, appropriateness, or materials of any Improvement, alteration, or addition, or because of the Board's



reasonable dissatisfaction with any or all other matters or things which, in the reasonable judgment of the Board, will render the proposed additions, alterations, and/or Improvements inharmonious or out of keeping with the Improvements erected on other Units or with the general plan of the Common Interest Community. If, after such plans and specifications have been approved, the Improvements are altered, erected, or maintained upon the Unit other than as approved by the Board, such alteration, erection, and maintenance shall be deemed to have been undertaken without the approval of the Board as required by this Declaration.

Section 14.2. PERMITS.

In addition to securing the Board's approval, a Unit Owner must also obtain any necessary governmental permits before construction commences on any Improvements, additions, or alterations. The cost of any such permits shall be paid by the Unit Owner.

Section 14.3. LIMITATIONS.

After the expiration of one (1) year from the date of completion of any Improvement, alteration, or addition, said Improvement, alteration, or addition shall, in favor of Purchasers and encumbrancers, in good faith and for value, be deemed to comply with all of the provisions hereof, unless: (1) a notice of such noncompliance or noncompletion, executed by one or more members of the Board, shall appear of record in the Office of the Recorder, Palmer Recording District; or (2) legal proceedings in connection with such Improvement, alteration, or addition shall have been instituted to enforce compliance with this Article.

Section 14.4. NO WAIVER.

The approval of the Board under this Article of any plans or specifications for additions, alterations, or Improvements to the Property shall not be construed in any way as a waiver by the Board of its right to object to any feature or aspect of such plans and specifications found in subsequent plans or specifications submitted for approval under this Article or found in any additions, alterations, or Improvements undertaken without first securing approval under this Article.

Section 14.5. NO LIABILITY.

No member of the Board shall be liable to any Person for his or her decisions or failure to act in making decisions as a



member of said Board. Nor shall the Association or Executive Board be liable for any condition of approval or any other matter connected with a Unit Owner's Improvement, addition, or alteration.

Section 14.6. DECLARANT RIGHTS.

The provisions of this Article do not apply to Declarant in the exercise of any Special Declarant Rights or Development Rights.

ARTICLE 15.
ALTERATION OF UNIT BOUNDARIES

Section 15.1. APPLICATION AND AMENDMENT

Subject to approval pursuant to Article 12 of any necessary alterations, the acquisition of any required governmental permits, and subject to any other Municipal requirements, the boundaries between adjoining Units may be reallocated by an amendment to the Declaration upon application to the Association by the Unit Owners affected by the reallocation. If the Unit Owners of the adjoining Units have specified a reallocation between their Units of their Allocated Interests, the application shall set forth the proposed reallocations. The application shall be approved or disapproved by the Executive Board within forty-five (45) days. Failure of the Board to respond within such period to the application shall be deemed disapproval of the application.

The Board's approval of the application 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 the Board's reasonable dissatisfaction with any or all matters or things which, in the Board's reasonable judgment will render the proposed subdivision inharmonious or out of keeping with the general plan of the Common Interest Community.

Section 15.2. VOTES.

Each Unit shall have only one (1) vote in the Association, notwithstanding any interest reallocation under this Article.

Section 15.3. AMENDMENT.

If the Board approves the application, the Association shall prepare an amendment that identifies the Units involved,



states the reallocations of any interests in a revised Table of Allocated Interests, states the alteration(s) of Unit Boundaries, and states the Association's consent to the reallocation. The amendment must be executed by the affected Unit Owners and contain words of conveyance between them. If the amendment by any Person other than Declarant reallocates any interests in the Common Interest Community, the unanimous consent of the Unit Owners is necessary. The holders of any Security Interests in the affected Units shall endorse their approval on the amendment.

Section 15.4. RECORDATION.

On recordation, the amendment shall be indexed in the name of the grantor and the grantee, and in the grantee's index in the name of the Association. The Association shall also prepare and record Plans necessary to show the altered boundaries between adjoining Units, and their dimensions and Identifying Numbers.

The applicants will pay for the costs of preparation and recordation of the amendment, preparation and recordation of amended Plans, the reasonable consultant and/or attorney fees of the Association if the Executive Board deems it necessary to retain the services of any consultant and/or attorney, and any other costs reasonably incurred by the Association in connection with any application under this Article.

ARTICLE 16.
AMENDMENTS

Section 16.1. GENERAL.

Except as otherwise provided by the Documents and the Act, including, without limitation, AS 34.08.740, AS 34.08.260, and Section 16.3., Article 15, and Article 19 herein, this Declaration and its Plans 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 16.2. CONSENT OF SECURITY INTEREST HOLDERS.

As required by Articles 15 and 19, amendments may be subject to the consent of certain holders of Security Interests.

Section 16.3. UNANIMOUS CONSENT.

Except in the exercise of any rights described in Article 6 of this Declaration or to the extent expressly permitted or



required by other provisions of the Act and this Declaration, no amendment may change the uses to which any Unit is restricted, increase the number of Units, create or increase Special Declarant Rights, alter the boundaries of any Unit, or change the Allocated Interests of any Unit, in the absence of unanimous consent of the Unit Owners.

Section 16.4. 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 6 of this Declaration, an amendment to the Declaration is required, the Declarant shall, in conformance with the Act, prepare, execute, and record an amendment and any required exhibits to the Declaration, including Plans which conform with the Act. Any amendment effected by Declarant's exercise of rights reserved in Article 6 requires Declarant approval only.

Section 16.5. EXECUTION.

Amendments to this Declaration required by the Act to be recorded by the Association, which have been adopted in accordance with this Declaration and 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 16.6. RECORDATION.

Each amendment to the Declaration is effective only upon recording as set forth in AS 34.08.250(c) of the Act.

Section 16.7. LIMITATIONS.

Actions to challenge the validity of an amendment adopted pursuant to this Article may not be brought more than one (1) year after the amendment is recorded.

Section 16.8. COSTS.

The Board may allocate reasonable attorney's and/or consultant's costs and fees incurred by the Association in the preparation and recordation of an amendment to the proponent(s) of such amendment.



Section 16.9. COMPLETION OF IMPROVEMENTS.

Prior to any amendment of the Declaration to add additional real estate and/or Units to the Common Interest Community, all improvements required to be built on such real estate must be substantially completed. When additional real estate and/or Units are added to the Common Interest Community, an amendment to the Declaration will be recorded which complies with Article 16 and any other requirements of the Declaration. Units and other improvements added by amendment to the Common Interest Community shall be consistent with the initial improvements' structure type and quality of construction. Duplexes, triplexes, four-plexes, five-plexes, and six-plexes shall be deemed "consistent" structure types for purposes of this section.

ARTICLE 17.
AMENDMENTS TO BYLAWS

Following Notice and Comment to all Unit Owners, the Bylaws may be amended by vote of two-thirds (2/3) of the members of the Executive Board at any meeting duly called for such purpose.

ARTICLE 18.
PROTECTION OF MORTGAGEES

Section 18.1. GENERAL.

This Article establishes standards and covenants on behalf of the holders, insurers, and guarantors of certain Security Interests in the Common Interest Community. In the case of conflict with other provisions of the Declaration, this Article shall control.

Section 18.2. PERCENTAGE OF ELIGIBLE MORTGAGEES.

Where this Declaration requires that certain actions have the approval or consent of a specified percentage of Eligible Mortgagees, "percent of Eligible Mortgagees" is calculated by dividing the total number of votes allocated to Units subject to Security Interests held by Eligible Mortgagees that approve or consent to the proposed action, by the total number of votes allocated to all Units subject to Security Interests held by Eligible Mortgagees.

Section 18.3. INSPECTION OF BOOKS.

The Association shall permit any Eligible Mortgagee, Eligible Insurer, or Unit Owner to inspect the books and records of the Association, including the Declaration, Rules, financial statements, and Bylaws, during normal business hours or under other reasonable circumstances.

Section 18.4. FINANCIAL STATEMENTS.

Upon any Eligible Mortgagee's or Eligible Insurer's written request, the Association shall provide 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 the Common Interest Community contains fifty (50) or more Units or if any Eligible Mortgagee or Eligible Insurer specifically requests an audited financial statement. If the Common Interest Community contains fifty (50) or more Units, the cost of the audit shall be a Common Expense. If the Common Interest Community contains less than fifty (50) Units, the Eligible Mortgagee or Eligible Insurer shall bear the cost of the audit.

Section 18.5. RIGHT OF ATTENDANCE.

Any representative of an Eligible Mortgagee or Eligible Insurer may attend any meeting at which Unit Owners have the right of attendance.

Section 18.6. NOTICES.

(a) The Association shall give prompt notice to each Eligible Mortgagee and Eligible Insurer of:

(i) Any casualty or condemnation loss exceeding \$10,000 in damages which affects: (1) a material portion of the Common Interest Community; or (2) any Unit in which there is a first Security Interest held, insured, or guaranteed by such Eligible Mortgagee and/or Eligible Insurer.

(ii) Any delinquency in the payment of any Common Expense assessments or any other default under the Documents by a Unit Owner whose Unit is subject to a first Security Interest held, insured, or guaranteed by such Eligible Mortgagee or Eligible Insurer, if such delinquency or default remains uncured for a period of sixty (60) days;



(iii) Any cancellation, lapse, or material modification of any insurance policy or fidelity bond required under this Declaration to be maintained by the Association;

(iv) Any proposed action which would require the consent of a specified percentage of Eligible Mortgagees as provided in Section 18.2.;

(v) Any state or federal court judgment rendered against the Association.

(b) If the FNMA holds any mortgage in the existing Common Interest Community at the time additional property is to be added, the Association must furnish the FNMA with title evidence, in a form satisfactory to the FNMA, which discloses any lien, easement, or other encumbrance affecting the Property to be added or which will effect the existing Common Interest Community Property after such addition.

(c) The Association shall promptly deliver, by U.S. Postal Service or hand-delivery, all notices required under this section without awaiting any request from Eligible Mortgagees and/or Eligible Insurers.

Section 18.7. CONSENT REQUIRED.

(a) 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 that Eligible Mortgagee's implied approval of the addition or amendment.

(b) Notwithstanding any lesser requirement permitted by this Declaration or the Act and not excepting any greater requirements mandated by this Declaration or the Act, no amendment by the Association or Unit Owners of any material provision of the Documents described in this subsection may be effective without the vote of at least seventy-five percent (75%) of the Unit Owners and until approved in writing by at least seventy-five percent (75%) of the Eligible Mortgagees. The foregoing approval requirements do not apply to amendments effected by the exercise of any Special Declarant Rights. For purposes of this section, "material" includes, but is not limited to, any provision affecting:

(i) reallocation of interests in the Common Elements or Limited Common Elements, except that when Limited Common Elements are reallocated by agreement between Unit Owners,



then, in addition to other requirements which may be mandated by other Articles of this Declaration or the Act, only those Unit Owners and only the Eligible Mortgagees holding Security Interests in such Units must approve such action;

(ii) convertibility of Common Elements into Units or Units into Common Elements;

(iii) rights to use the Common Elements;

(iv) assessment, assessment liens, or subordination of assessments;

(v) responsibility for maintenance and repairs in the Common Interest Community;

(vi) voting rights;

(vii) insurance or fidelity bonds;

(viii) the addition or withdrawal of Property to or from the Common Interest Community;

(ix) reserves for maintenance, repair, and replacement of Common Elements;

(x) partition or subdivision of Units or Unit boundaries except that when boundaries of only adjoining Units are involved, or when only a single Unit is being subdivided, then, in addition to other requirements which may be mandated by other Articles of this Declaration or the Act, only those Unit Owner(s) and the Eligible Mortgagee(s) holding Security Interests in such Unit or Units must approve such action;

(xi) imposition of restrictions on a Unit Owner's right to sell, transfer, or otherwise convey his or her Unit;

(xii) restoration or repair of the Common Interest Community after a hazard damage or partial condemnation in a manner other than specified in the Documents;

(xiii) the benefits of mortgage holders, insurers, or guarantors of first mortgages on Units on the Common Interest Community;



(xiv) establishment of self-management by the Association when professional management had been required previously by any Eligible Mortgagee;

(xv) termination of the Common Interest Community after substantial destruction or condemnation to the Common Interest Community; and

(xvi) leasing of units.

(c) Notwithstanding any lesser requirement permitted by this Declaration or the Act and not excepting any greater requirements mandated by this 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 fifty-one percent (51%) of the Eligible Mortgagees:

(i) use of hazard insurance proceeds for losses to any condominium Property, whether to a Unit or to the Common Elements, for other than the repair, replacement, or reconstruction of such Improvements;

(ii) the granting of any easements, leases, licenses, and concessions through or over the Common Elements except leases, licenses, or concessions for a term of no more than one (1) year, and except for any utility easements intended to serve the Common Interest Community;

(iii) the alteration of any partition or creation of any aperture between adjoining Units (when Unit boundaries are not otherwise being affected), in which case only the owners of Units affected and Eligible Mortgagees of those Units need approve the action;

(iv) the restoration or repair of the Property after a hazard damage or partial condemnation in a manner other than that specified in the Declaration;

(v) the merger of this Common Interest Community with any other Common Interest Community;

(vi) any action taken not to repair or replace the Property; and

(vii) the assignment of the Association's future income and its right to receive Common Expense assessments.



(d) Notwithstanding any lesser requirement permitted by this Declaration or the Act and not excepting any greater requirements mandated by other Articles of this Declaration or the Act, the following actions, other than rights reserved to the Declarant as Special Declarant Rights, require the consent of Eligible Mortgagees as indicated below:

(i) conveyance or encumbrance of the Common Elements or any portion thereof requires approval of at least eighty percent (80%) of Eligible Mortgagees. A "conveyance or encumbrance" for purposes of this subsection does not include 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;

(ii) the termination of the Common Interest Community for reasons other than a substantial destruction or condemnation requires approval of at least seventy-five percent (75%) of Eligible Mortgagees; and

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

Section 18.8. TRUSTEE.

In the event of damages or destruction under Article 21 or condemnation of all or a portion of the Common Interest Community, any Eligible Mortgagee may require that any proceeds from such damages, destruction, or condemnation to be payable to a Trustee established pursuant to Section 21.5. Such Trustee may be required to be a corporate trustee licensed by the State of Alaska and may be required to represent the Unit Owners in condemnation proceedings or in negotiations, settlements, and agreements with the condemning authority for acquisition of the Common Elements, or any part thereof, by the condemning authority. Where required, each Unit Owner shall appoint the Trustee as attorney-in-fact for such purpose. Unless otherwise prohibited by this Declaration or by the Act, the members of the Executive Board acting by majority vote through the president may serve collectively as Trustee.

Section 18.9. 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.



Section 18.10. CONDEMNATION AND INSURANCE PROCEEDS.

Subject to the terms of an Eligible Mortgagee's Security Interest in a Unit, no provision of this Declaration shall be construed to give priority to any Unit Owner over any rights of such Eligible Mortgagee to any condemnation or insurance proceeds from the Property.

Section 18.11. REIMBURSEMENT.

If the Association is in default on any taxes on the Common Elements, or if any of the Association's insurance premiums are overdue, or if the Association has failed to renew insurance coverage required under this Declaration on the Common Elements, any Eligible Mortgagee may pay the Association's overdue taxes or overdue premiums or may pay to secure the required insurance coverage. Any Eligible Mortgagees making such payments shall be entitled to prompt reimbursement from the Association.

ARTICLE 19.
ASSIGNMENT OF FUTURE INCOME

Any assignment of the Association's future income and/or its right to receive Common Interest Expense assessments requires the affirmative vote of seventy-five percent (75%) of the votes in the Association at a meeting called by the Executive Board for the purpose of voting on such an assignment.

ARTICLE 20.
INSURANCE

Section 20.1. GENERAL.

To the extent reasonably available, the Executive Board shall obtain and maintain insurance coverage as set forth in this Article. If such coverage is not reasonably available, and the Executive Board thus determines that any insurance described herein will not be maintained, the Executive Board shall cause notice of that fact to be delivered to all Unit Owners and Eligible Mortgagees at their last known addresses.

Section 20.2. BONDS.

A blanket fidelity bond is required for any person who either handles or is otherwise responsible for funds received, held, or administered by the Association, whether or not such person receives compensation for his or her 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 months' assessments on all Units in the Common Interest Community plus the Association's reserve funds. The bond shall include a provision that calls for ten (10) days' written notice to the Association, to each first mortgage holder of a Unit, to each servicer that services a Unit mortgage owned by the FNMA, FHLMC, VA, or AHFC, and to the insurance Trustee, if any, before the bond can be cancelled or substantially modified for any reason. The bond shall contain waivers by the issuer of the bond of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees," or similar terms or expressions. The premiums for the fidelity bond shall be paid as a Common Expense by the Association.

Section 20.3. LIABILITY INSURANCE FOR DIRECTORS AND OFFICERS.

The Executive Board must obtain and maintain directors' and officers' liability insurance, if reasonably available, covering all of the Directors and officers of the Association in such limits as the Executive Board determines.

Section 20.4. WORKERS' COMPENSATION INSURANCE.

The Executive Board must obtain and maintain Workers' Compensation Insurance if such insurance is required by the laws of the State of Alaska.

Section 20.5. LIABILITY INSURANCE.

The Association shall secure comprehensive general liability insurance, including medical payments insurance, in an amount determined by the Executive Board but in no event less than \$1,000,000 per occurrence, covering any legal liability that may result from lawsuits related to employment contracts in which the Owners' Association is a party, and all occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with the use, ownership, operation, or maintenance of the Common Elements, any areas under the Association's supervision to include public ways, and the activities of the Association.

Insurance policies carried pursuant to this section shall also provide that:



(a) 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 prejudice the policy in any way or be a condition to recovery under the policy.

(b) The insurer issuing the policy may not cancel, refuse to renew, or otherwise substantially change it until 30 days after notice of the proposed cancellation, non-renewal, or substantial change(s) has (have) been mailed to the Association, each Unit Owner, each holder of a first mortgage on a Unit, and each holder of a Security Interest to whom a certificate or memorandum of insurance has been issued, at their last known addresses.

(c) The insurer waives the right to subrogation under the policy against Unit Owners or members of the households of Unit Owners.

(d) Each Unit Owner is an insured Person under the policy with respect to liability arising out of interest of the Unit Owner in the Common Elements or membership in the Association.

(e) If, at the time of a loss under the policy, there is other insurance covering the same risk covered by the Association's policy, the Association's policy provides primary insurance.

(f) A Unit Owner's claim will not be denied because of negligent acts of the Association or another Unit Owner.

Section 20.6. PROPERTY INSURANCE.

(a) Property Insurance Coverage.

The Association shall secure property insurance that, at a minimum, protects against loss or damage by fire and all other hazards that are normally covered by the standard extended coverage endorsement, and all other perils customarily covered for condominiums, including those covered by the standard "all risk" endorsement. The property insured by such policy must include all personal property owned by the Association and the Common Interest Community facilities (which term, for purposes of this Article, means all buildings on the Property, including the Units and all fixtures, equipment, and any Improvements and betterments, whether part of a Unit or a Common Element, and such personal property of Unit Owners as is normally insured under building coverage). The Association's property insurance, however, may exclude land, excavations, portions of any foundations below the undersurfaces of



the lowest basement floors, underground pilings, piers, pipes, flues, drains, and other items normally excluded from insurance coverage policies.

The Common Interest Community facilities must be insured by the Association for an amount, after application of any deductions, equal to one hundred percent (100%) of their replacement cost at the time the insurance is purchased and at each renewal date, or equal to one hundred percent (100%) of their actual cash value at the time the insurance is purchased and at each renewal date, whichever is greater. The Association must also insure personal property owned by the Association for an amount equal to its cash value.

If the Executive Board deems it necessary, it may obtain appraisals periodically to determine the replacement cost for the property described in this subsection. The cost of any such appraisals shall be a Common Expense.

(b) Other Provisions.

(i) Insurance policies required by this Section shall also provide that:

(1) Any loss must be adjusted with the Association.

(2) The insurer may not cancel, refuse to renew, or otherwise substantially change the policy until thirty (30) days after notice of the proposed cancellation, non-renewal, or substantial change(s) have been mailed to the Association, each Unit Owner, each holder of a first mortgage on a Unit, and each holder of a Security Interest to whom a certificate or memorandum of insurance has been issued, at their last known addresses.

(3) An act or omission by a Unit Owner or members of his or her household, unless acting within the scope of the Unit Owner's authority on behalf of the Association, will not prejudice the policy in any way or be a condition to recovery under the policy.

(4) The insurer waives the right to subrogation under the policy against Unit Owners or members of the households of Unit Owners.

(5) If, at the time of a loss under the Association's policy, there exists other insurance covering the



same risk covered by the Association's policy, the Association's policy provides primary insurance.

(6) Insurance proceeds shall be paid to any insurance Trustee the Association designates in the policy for that purpose, and in the absence of such designation, to the Association itself. However, insurance proceeds in either case are to be held in trust for each Unit Owner and any Unit mortgagees.

(7) The policy shall contain the standard mortgage clause, or equivalent endorsement (without contribution), which is commonly accepted by private institutional mortgage investors in the area in which the Property is located and which, if appropriate, names the FNMA, FHLMC, AHFC, and/or VA as such corporations or holders of the first mortgages on the Units within the Common Interest Community.

(8) Notwithstanding any contrary provisions herein, the Association shall, if required by the FNMA, AHFC, VA, and/or FHLMC as a Unit Owner mortgagee on a Unit in the Association, continuously carry a master (or "blanket") condominium policy of casualty insurance, and a fidelity bond, with such coverage and endorsements in form and amounts, including full replacement costs coverage with an "agreed-amount endorsement" and, if available, an "inflation guard endorsement," as may be required by the FNMA, AHFC, VA, and/or FHLMC as a mortgagee on a Unit in the Association or the Owner of such a Unit.

(9) The name of the insured shall be as follows: "Monte Vista Townhome Condominium Association, for the use and benefit of the individual Owners."

(ii) The terms of the insurance carrier's charter, bylaws, or policy shall not:

(1) Permit contributions or assessments against borrowers, Eligible Mortgagees, or the designees of Eligible Mortgagees.

(2) Make payments contingent upon action by the insurance carrier's board of directors, policy holders, or members.

(3) Include any limiting clauses (other than insurance conditions) which could prevent Eligible Mortgagees or the borrowers from collecting insurance proceeds.



Section 20.7. INSURANCE PREMIUMS.

Insurance premiums are to be paid as a Common Expense and funds necessary to cover the deductible amounts under the Association's insurance policies are to be included in the Association's operating budget.

Section 20.8. INSURANCE POLICIES OBTAINED BY UNIT OWNERS.

Unit Owners may obtain insurance for their own benefit notwithstanding the issuance of a policy to the Association.

Section 20.9. OTHER INSURANCE.

The Association may obtain other insurance which the Executive Board determines is reasonably necessary to protect the Association.

Section 20.10. INSURER'S RATING AND REINSURANCE.

The property insurance, liability insurance, and fidelity bond must be written by an insurance carrier with at least a B/III policy holder's rating and financial category rating in the Best's Key Rating Guide or by an insurance carrier which is covered by reinsurance with a company that does meet such rating requirements. Both insurer and reinsurer must execute an assumption of liability agreement or a similar endorsement providing for one hundred percent (100%) reinsurance of the insurer's policy. Further, the reinsurer must give the borrower, lender, and the insurer ninety (90) day written notice before canceling or substantially changing the reinsurance.

In addition to the foregoing requirements for insurers, the Association must use general insurance carriers who meet the qualifications set forth in the *FNMA Conventional Home Mortgage Selling Contract Supplement* and the *FHLMC Seller's Guide*.

ARTICLE 21.
PROPERTY DESTRUCTION OR DAMAGE

Section 21.1. DUTY TO RESTORE PROMPTLY.

The portion of the Common Interest Community for which insurance is required under AS 34.08.440 or for which insurance is actually carried by the Association, 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 pursuant to AS 34.08.260;

(b) Repair or replacement would be illegal under a statute or municipal ordinance governing health or safety; or

(c) Eighty percent (80%) of the Unit Owners, including each Unit Owner of a Unit that will not be rebuilt, vote not to rebuild.

Section 21.2. 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 21.3. PARTIAL RESTORATION OF THE PROPERTY.

(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) Except to the extent that other Persons will be distributees:

(i) the insurance proceeds attributable to a Unit and Limited Common Elements that are not rebuilt must be distributable to the Owner of the Unit and the Owner of the Unit to which the Limited Common Elements were allocated, or to lien holders, as their interests may appear; and

(ii) the remainder of the proceeds must be distributed to each Unit Owner or lien holder, as their interests may appear, in proportion to the common interests of all the Units;

(c) If the Unit Owners including each Unit Owner of a Unit that will not be rebuilt, vote not to rebuild a Unit, the Allocated Interests of the Unit are reallocated upon the vote as if the Unit had been condemned under AS 34.08.740(a) of the Act, and the Association shall promptly prepare, execute, and record an amendment to the Declaration reflecting the reallocations.



Section 21.4. COST.

If the cost of repair or replacement exceeds insurance proceeds and the Association's reserves, it shall be a Common Expense.

Section 21.5. INSURANCE TRUSTEE.

If an insurance Trustee is designated in any insurance policy, the Trustee may have exclusive authority to negotiate losses under such policies and to perform other functions as are necessary to accomplish this purpose. The insurance Trustee may also be designated by the owners' Association as attorney-in-fact for purpose of purchasing and maintaining insurance, collecting and disposing of insurance proceeds, negotiating losses, executing releases of liability, executing other necessary documents, and performing all other acts necessary to accomplish this purpose.

Section 21.6. INSURANCE PROCEEDS.

The insurance Trustee, or if there is no insurance Trustee, then the Executive Board 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 21.1., the proceeds shall be disbursed first for the repair or restoration of the damaged Property. The Association, Unit Owners, and lien holders are not entitled to receive payment of a portion of the proceeds unless there is a surplus of proceeds after the Property has been completely repaired or restored or unless the Common Interest Community is terminated.

Section 21.7. CERTIFICATIONS.

If a Trustee has been designated by the Executive Board, such Trustee may rely on the following written certifications made by the Executive Board:

(a) Whether damaged and/or destroyed Property is to be repaired and/or restored;

(b) The amount(s) to be paid for repairs and/or restoration of the damaged Property, and the names and addresses of the parties to whom such amounts are to be paid.



Section 21.8. ATTORNEY OR TITLE COMPANY CERTIFICATION.

If payments pursuant to this Article are to be made to Unit Owners or Mortgagees, the Executive Board or its designated Trustee shall obtain and may rely on a title insurance company's certificate of title, an attorney's certificate of title, or a title insurance policy. The certificate of title or title insurance policy must be based on a search of the records of the Palmer Recording District, Third Judicial District, State of Alaska, from the date of the recording of the original Declaration, and must state the names of the Unit Owners and the Mortgagees.

ARTICLE 22.
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 AS 34.08.740.

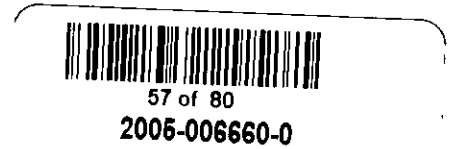
ARTICLE 23.
RIGHTS OF NOTICE, COMMENT, AND APPEAL

Section 23.1. NOTICE AND HEARING.

Whenever the Documents or Executive Board require that an action be taken only after "Notice and Hearing," the entity proposing the action shall give written notice of the proposed action to all Unit Owners no less than ten (10) days before the hearing. The notice shall include a general statement of the proposed action and the date, time, and place of the hearing. At the hearing, any interested Unit Owner may, personally or by a representative, give written and/or oral testimony, subject to reasonable rules of procedure established by the Executive Board to ensure a prompt and orderly resolution of the issues. Any testimony offered in such a hearing does not bind the decision makers. All Unit Owners shall be notified of the decision in the same manner in which notice of the meeting was given.

Section 23.2. NOTICE AND COMMENT.

Whenever an amendment to the Association's Bylaws and/or Rules is proposed, whenever the Documents require "Notice and Comment," or whenever the Executive Board determines that "Notice and Comment" is otherwise appropriate, the Unit Owners have the right to receive notice of the proposed action(s) and the right to comment orally or in writing on the proposed action(s). Notice to



each Unit Owner shall be effected by personal delivery or by the U.S. Postal Service, delivered or mailed to each Unit Owner's last known address. The notice shall be given not less than ten (10) days before the proposed action is to be taken or a hearing on the matter is scheduled. The Notice shall invite written or oral comments to the Executive Board on the proposed action(s) prior to the scheduled hearing. The rights described in this section do not entitle a Unit Owner to be heard at any hearing or meeting called by the Association.

Section 23.3. APPEAL.

Any interested Unit Owner having a right to Notice and Hearing shall have the right to appeal to the Executive Board from a decision of entities other than the Executive Board by filing a written notice of appeal with the Executive Board within ten (10) days after being notified of said decision. The Executive Board shall conduct a hearing within thirty (30) days of receiving the written notice of appeal, giving the same notice and observing the same procedures as described in the preceding sections of this Article.

ARTICLE 24.
EXECUTIVE BOARD

Section 24.1. POWERS AND DUTIES.

Except as otherwise limited by the Documents or the Act, the Executive Board may act in all instances on behalf of the Association. The Executive Board shall have, subject to said limitations, the powers and duties necessary for the administration of the affairs, operations, and governance of the Association and of the Common Interest Community including, but not limited to, the power to:

- (a) adopt and amend Bylaws, Rules, regulations, budgets for revenues, expenditures, and reserves;
- (b) collect assessments for Common Expenses from Unit Owners;
- (c) hire and discharge employees, agents, managing agents, and independent contractors;
- (d) institute, defend, or intervene in litigation or administrative proceedings in the Association's name on behalf of



the Association or on behalf of two or more Unit Owners on matters affecting the Common Interest Community;

(e) make contracts and incur liabilities;

(f) govern the use, maintenance, repair, replacement, and modification of the Common Elements;

(g) cause any additional Improvements by the Association to be held as a part of the Common Elements;

(h) acquire, hold, encumber, and convey in the Association's name any right, title, or interest to real property or personal property, provided that Common Elements may be conveyed or subject to a Security Interest only pursuant to AS 34.08.430 of the Act and Article 18 of this Declaration;

(i) grant easements for public utilities or for other public purposes consistent with the intended use of the Common Elements, and grant leases, licenses, and concessions for no more than one year, through or over the Common Elements;

(j) impose and receive payments, fees, or charges for the use, rental, or operation of the Common Elements, other than Limited Common Elements, and for services provided to Unit Owners;

(k) impose fees, penalties, fines, late charges, interest, and collection costs, or a combination thereof for late payment of assessments and, after Notice and Hearing, levy reasonable fines, fees, and/or penalties for violations of this Declaration, the Bylaws, Rules, and/or regulations of the Association;

(l) impose reasonable charges for the preparation and recordation of amendments to this Declaration, any resale certificates that may be required by AS 34.08.590, and/or any statements of unpaid assessments;

(m) provide for the indemnification of the Association's officers and Executive Board and maintain Directors' and officers' liability insurance;

(n) assign the Association's right to future income, including the right to receive Common Expense assessments;

(o) exercise any other powers conferred by this Declaration or the Bylaws;



(p) exercise all other powers that may be exercised in this state by legal entities of the same type as the Association;

(q) designate, by resolution, a representative (or representatives) to a master association; and

(r) establish, by resolution, committees of Directors, permanent and standing, to perform any of the above functions under specifically delegated administrative standards, as designated in the resolution establishing such committees. All committees must give written notice, by the U.S. Postal Service or personal delivery, of their actions or decisions to Unit Owners and the Executive Board within fifteen (15) days of said actions or decisions. Such committee actions or decisions must be ratified, modified, or rejected by the Executive Board at its next regular meeting.

Section 24.2. LIMITATIONS ON THE EXECUTIVE BOARD.

The Executive Board may not act on behalf of the Association to amend this Declaration, to terminate the Common Interest Community, to elect members of the Executive Board to full terms, or to determine the qualifications, powers, duties, or terms of office of Executive Board members, but the Executive Board may fill vacancies in its membership for the unexpired portion of any term. Neither the Executive Board nor its Directors shall receive compensation for services performed pursuant to this Declaration.

Section 24.3. MINUTES.

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 ten (10) days after any such meeting.

Section 24.4. MEETINGS.

(a) ASSOCIATION MEETINGS.

The Executive Board shall call a meeting of the Association at least once each year. A special meeting of the Association may be called by the president of the Board, by a majority of the members of the Executive Board, or by Unit Owners comprising at least twenty percent (20%) of the votes in the Association. Not less than ten (10) nor more than sixty (60) days in advance of the meeting, an officer designated by the Executive Board shall cause notice to be hand delivered or mailed by the U.S.



Postal Service to the last known address of each Unit Owner. The notice of the meeting must state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Documents, budget changes, and any proposal to remove an officer or member of the Executive Board.

(b) EXECUTIVE BOARD MEETINGS.

All Association members shall have the right to attend all meetings of the Executive Board at which action is to be taken by vote of the directors. Notice of such meetings shall 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 and/or by hand delivering notice to each Unit. If an emergency situation requires an immediate meeting of the Executive Board, no such notice is required.

ARTICLE 25.
TERMINATION

The Common Interest Community may be terminated only in conformity with AS 34.08.260 of the Act.

ARTICLE 26.
MISCELLANEOUS

Section 26.1. SECURITY.

The Association may, but shall not be obligated to, maintain or support certain activities within the Common Interest Community designed to make the Properties safer than they otherwise might be. NEITHER THE ASSOCIATION, THE DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE COMMON INTEREST COMMUNITY, NOR SHALL ANY OF THEM BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR OF INEFFECTIVENESS OF ANY SECURITY MEASURE UNDERTAKEN. EACH UNIT OWNER ACKNOWLEDGES, UNDERSTANDS AND COVENANTS TO INFORM ITS TENANTS THAT THE ASSOCIATION, ITS EXECUTIVE BOARD AND COMMITTEES, DECLARANT, AND ANY SUCCESSOR DECLARANT ARE NOT INSURERS AND THAT EACH PERSON USING THE COMMON INTEREST COMMUNITY ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO UNITS AND TO THE CONTENTS OF UNITS RESULTING FROM ACTS OF THIRD PARTIES.



Section 26.2. CHANGES IN THE ACT.

Many provisions of this Declaration and in the Bylaws repeat exactly or substantially the same rule or outcome in a particular instance as that required by the Act on the date this Declaration was recorded, or repeat the same rule which the Act would impose as a default rule if the Declaration or Bylaws were silent on that subject.

The Declarant anticipates the possibility that the Act will be amended from time to time to reflect contemporary thinking and experience regarding the structure and governance of common interest communities. The Declarant believes it is in the best interest of the Unit Owners at Monte Vista Townhome Condominiums that the Property might always be governed in accordance with the most current provisions of the Act, subject to the right in any particular case of the Unit Owners and the Executive Board to vary that outcome by adopting a rule or amendment to the Declaration in the manner provided for such amendments.

Accordingly, this Section directs that, in the future and from time to time, in all instances where this Declaration or the Bylaws contain language that precisely or substantially tracks the Act on the date that Monte Vista Townhome Condominiums is declared, 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 substantially at variance with the amended text of the Act.

Section 26.3. CAPTIONS.

The captions in this Declaration are inserted for convenience of reference only, do not constitute a part of this Declaration, and in no way define, describe, or limit the scope or intent of this Declaration or any of the provisions hereof. The exhibits referred to as being attached to this Declaration are intended to be incorporated in this Declaration by such reference.

Section 26.4. INVALIDITY.

If any term, covenant, or condition of this Declaration is held to be invalid or unenforceable in any respect, such invalidity or unenforceability shall not affect any other provision hereof and this Declaration shall be construed as if such invalid or unenforceable provision had never been contained herein.



Section 26.5. WAIVER.

No delay in exercising any right or remedy of any of the parties hereunder shall constitute a waiver thereof, and no waiver by the parties of the breach of any covenant of this Declaration shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Declaration.

Section 26.6. GENDER.

As used herein, each of the masculine, feminine, and neuter genders shall include the other genders, the singular shall include the plural, and the plural shall include the singular, wherever appropriate to the context.

Section 26.7. COSTS AND FEES.

In an action to enforce this Declaration's provisions, the prevailing party shall be entitled to recover court costs and actual attorneys' fees.

Section 26.8. RIGHT OF ACTION.

The Declarant, Association, and/or any aggrieved Unit Owner is granted the right of action against Unit Owner(s) who fail to comply with the provisions of the documents or the decisions made by the Association.

In an action to enforce this Declaration's provisions, the prevailing party shall be entitled to recover court costs and actual attorneys' fees.

Section 26.9. CONFLICT.

(a) Declarant intends that the Documents comply with the requirements of the Act and Alaska Statutes governing nonprofit corporations, AS 10.20, et seq. If the Documents conflict with any statutes, the conflicting terms of the statutes shall control. If the Declaration conflicts with any other document, except those indicated in subsection (b) below, the Declaration shall control.

(b) The Property is also subject to Protective Covenants and Restrictions for the Monte Vista Subdivision (the "Protected Covenants and Restrictions"), recorded November 6, 1981, in Book 248 at Page 384, records of the Palmer Recording District, Third Judicial District, State of Alaska, and Amended Protective



EXHIBIT A

REAL PROPERTY SUBMITTED TO DECLARATION

Lots One "A" (1A) and One "B" (1B),
Block One (1), of the replat of
MONTE VISTA SUBDIVISION, according
to the official plat filed under
Plat No. 83-159, records of the
Palmer Recording District, Third
Judicial District, State of Alaska

REAL PROPERTY SUBJECT TO DEVELOPMENT RIGHTS
(INCLUDING THE RIGHT TO WITHDRAW)

Lot One "A" (1A), Block One (1), of
the replat of MONTE VISTA
SUBDIVISION, according to the
official plat filed under Plat No.
83-159, records of the Palmer
Recording District, Third Judicial
District, State of Alaska



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2006-006660-0

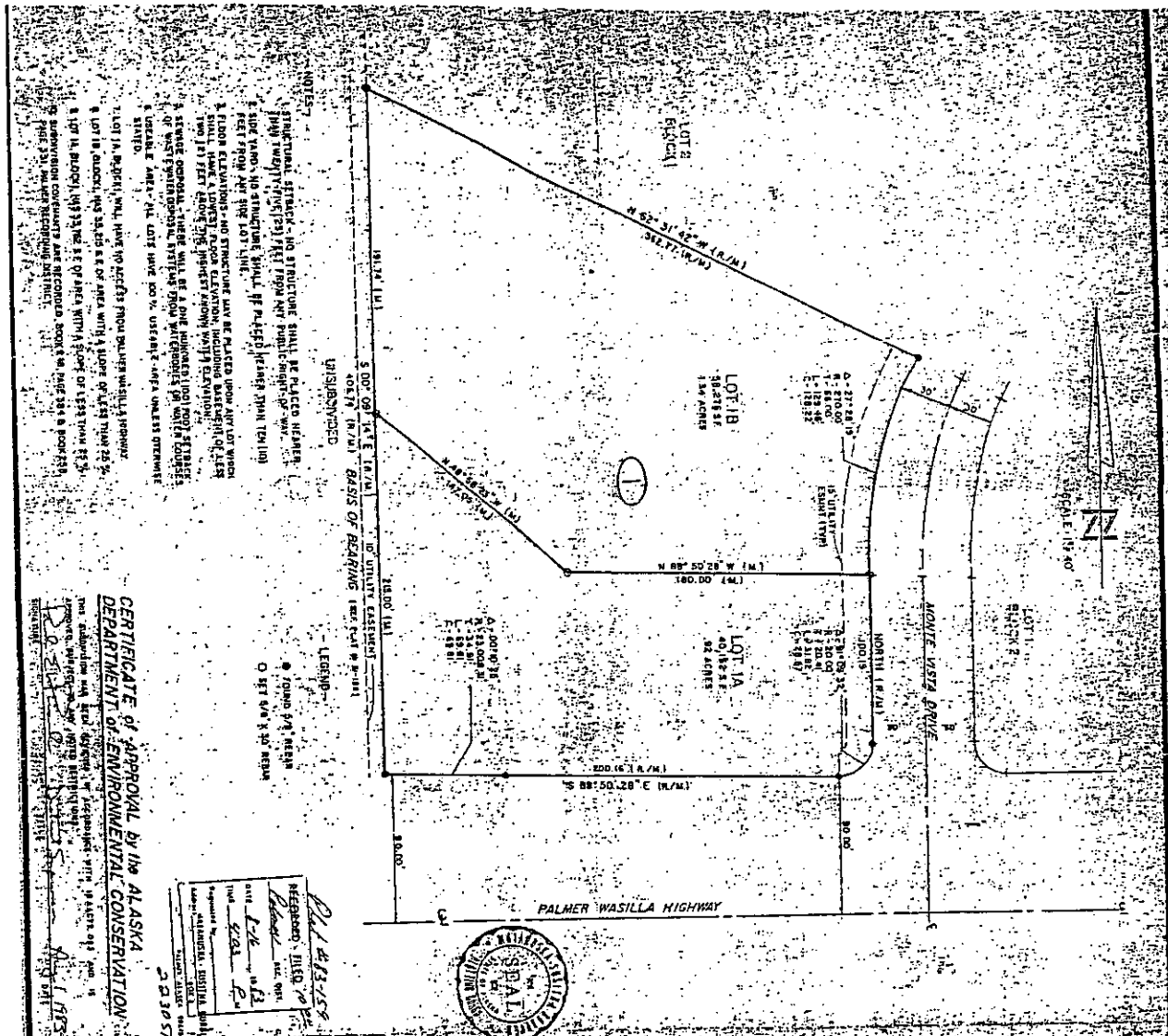
EXHIBIT B

PLANS AND CERTIFIED SURVEYS

(Containing information required
by AS 34.08.170)



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2005-006660-0



CERTIFICATE OF APPROVAL BY THE ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION

Subdivision: MONTE VISTA SUBDIVISION

Block: 1A, 1B, 2, 3

Lot: 1A, 1B, 2, 3

Scale: 1/4" = 100'

Palmer Wasilla Highway

Acornie Vista Drive

Notes:

1. FOUND ELEVATIONS AND STRUCTURE MAY BE PLACED UPON ANY LOT WHICH SHALL HAVE A LOWEST ELEVATION, INCLUDING DRIVEWAYS, TWO FEET FROM THE PROPERTY LINE.
2. STRUCTURE SHALL BE PLACED NEARER TO THE PROPERTY LINE THAN TO THE ADJACENT LOT.
3. STRUCTURE SHALL BE PLACED NEARER TO THE PROPERTY LINE THAN TO THE ADJACENT LOT.
4. STRUCTURE SHALL BE PLACED NEARER TO THE PROPERTY LINE THAN TO THE ADJACENT LOT.
5. STRUCTURE SHALL BE PLACED NEARER TO THE PROPERTY LINE THAN TO THE ADJACENT LOT.
6. STRUCTURE SHALL BE PLACED NEARER TO THE PROPERTY LINE THAN TO THE ADJACENT LOT.
7. STRUCTURE SHALL BE PLACED NEARER TO THE PROPERTY LINE THAN TO THE ADJACENT LOT.
8. STRUCTURE SHALL BE PLACED NEARER TO THE PROPERTY LINE THAN TO THE ADJACENT LOT.
9. STRUCTURE SHALL BE PLACED NEARER TO THE PROPERTY LINE THAN TO THE ADJACENT LOT.
10. STRUCTURE SHALL BE PLACED NEARER TO THE PROPERTY LINE THAN TO THE ADJACENT LOT.

CERTIFICATE OF OWNERSHIP & DEDICATION

PLANNING DIRECTOR CERTIFICATE

CERTIFICATION OF TAXES

RESTRICTIVE COVENANTS

WATER SUPPLY AND SEWAGE DISPOSAL

SURVEYOR'S CERTIFICATE

WATER SUPPLY AND SEWAGE DISPOSAL

RESTRICTIVE COVENANTS

SURVEYOR'S CERTIFICATE

WATER SUPPLY AND SEWAGE DISPOSAL

RESTRICTIVE COVENANTS

SURVEYOR'S CERTIFICATE

SILVERS ENGINEERING

1000 W. PALMER WASILLA HIGHWAY, SUITE 100, PALMER, ALASKA 99571

PHONE: 907-735-1111

FAX: 907-735-1112

DATE: 5-15-83

DRAWN BY: J.M.C.

CHECKED BY: J.M.C.

SCALE: 1/4" = 100'

PROJECT: MONTE VISTA SUBDIVISION

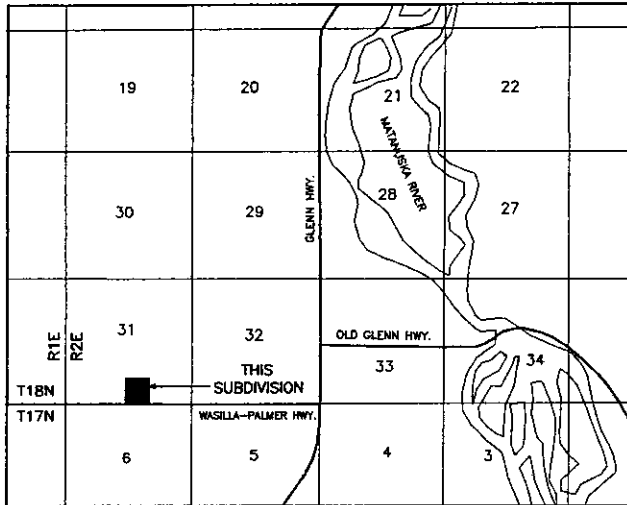
LOT 1A, 1B, 2, 3

SECTION 31, T48N 22E 6W

CONTAINING 24 ACRES MORE OR LESS



**MONTE VISTA TOWNHOMES
PHASE 1 DEVELOPMENT
LOT 1B, BLOCK 1, MONTE VISTA SUBDIVISION
UNITS 1860 A-D, MONTE VISTA DRIVE**



NOTES:

1. ALL DISTANCES, DIMENSIONS AND ELEVATIONS ARE GIVEN IN FEET AND DECIMAL PORTIONS OF FEET.
2. ALL BUILDING TIES ARE AT 90° TO THE PROPERTY LINES.
3. ELEVATIONS ARE BASED ON MATANUSKA-SUSITNA BOROUGH TOPOGRAPHIC MAPS, 1972 NGS DATUM, AND SHOULD SUFFICE.
4. EACH UNIT IS DESIGNATED A NUMBER INDICATING THE STREET ADDRESS, (I.E., 1860A MONTE VISTA DRIVE).
5. THIS PROJECT IS LOCATED ON LOT 1B, BLOCK 1, MONTE VISTA SUBD., PLAT NO 83-159, LOCATED WITHIN THE SE1/4, SECTION 31, T18N, R2E, S.M., AK.
6. THE CONDOMINIUMS DEPICTED HEREON ARE SUBJECT TO THE PROVISIONS OF THE "UNIFORM COMMON INTEREST OWNERSHIP ACT", ALASKA STATUTES 34.08.
7. EXTERIOR WALLS OF THE EXISTING STRUCTURES AS SHOWN ALIGN WITH AS-BUILT PLANS AS SHOWN ON SHEET 3.
8. INCREMENTAL SQUARE FOOTAGES FOR EACH UNIT ARE LISTED ON THE AS-BUILT PLANS AS SHOWN ON SHEET 4.
9. FLOOR AREAS FOR EACH EXISTING STRUCTURE ARE LISTED FOR EACH INDIVIDUAL UNIT AS SHOWN ON SHEET 4.
10. DECKS SHOWN HEREON ARE LIMITED COMMON ELEMENTS ACCORDING TO ARTICLE 5 OF THE DECLARATION OR AS OTHERWISE SPECIFIED IN THE DECLARATION.
11. AREAS OUTSIDE OF UNIT BOUNDARIES AND LIMITED COMMON ELEMENTS AS SHOWN ON SHEETS 3 AND 4 OR AS SPECIFIED IN THE DECLARATION, ARE COMMON ELEMENTS.

GASTALDI LAND SURVEYING, LLC

4726 WEST 88TH AVENUE
ANCHORAGE, ALASKA 99502
PHONE: 907-248-5454

AS-BUILT
SHEET
1 OF 4

DATE: 3/14/2005

SCALE: 1"=1 MILE

JOB NO.: MV1A

FIELD BOOK: 05-03

LOT 1B, BLOCK 1, MONTE VISTA SUBD., PLAT NO. 83-159, PALMER RECORDING DISTRICT, PALMER, ALASKA

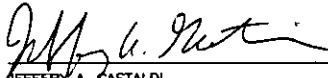


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2006-006660-0

SURVEYOR'S CERTIFICATE

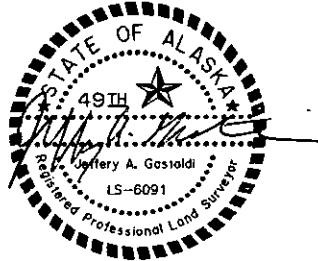
SECTION 34.08.170 OF THE COMMON INTEREST OWNERSHIP ACT REQUIRES THAT A CERTIFICATION BE MADE WHICH STATES THE PLAT AND PLAN CONTAINS THE INFORMATION AS SET FORTH IN SECTION 34.08.170.

I DO HEREBY CERTIFY THAT THIS FLOOR PLAN IS A TRUE AND CORRECT LAYOUT OF UNITS ACCURATELY SURVEYED TO DEPICT AN AS-BUILT SURVEY, AND THAT THE INFORMATION AS REQUIRED BY ALASKA STATUTE 34.08.170 IS PROVIDED FOR ON THESE PLANS.



JEFFERY A. GASTALDI
GASTALDI LAND SURVEYING, LLC
4726 WEST 88TH AVENUE
ANCHORAGE, ALASKA 99502

3/18/2005
DATE



NOTARY ACKNOWLEDGEMENT

SUBSCRIBED AND SWORN TO BEFORE ME THIS 18th DAY OF March, 2005.

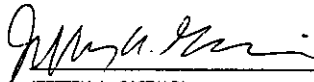
02/06/2006
MY COMMISSION EXPIRES

Van W. Eie
NOTARY PUBLIC

CERTIFICATE OF COMPLETION

SECTION 34.08.090 OF THE UNIFORM COMMON INTEREST OWNERSHIP ACT PROVIDES THAT A DECLARATION FOR A CONDOMINIUM MAY NOT BE RECORDED AND A PLAT OR PLAN THAT IS PART OF THE DECLARATION FOR A CONDOMINIUM MAY NOT BE FILED UNLESS A CERTIFICATE OF COMPLETION IS RECORDED WITH THE DECLARATION AS EVIDENCE THAT THE STRUCTURAL COMPONENTS AND MECHANICAL SYSTEM OF EACH BUILDING CONTAINING OR COMPRISING A UNIT OF THE CONDOMINIUM ARE COMPLETED SUBSTANTIALLY IN ACCORDANCE WITH THE PLANS.

THIS IS TO CERTIFY THAT 1860 A-D, MONTE VISTA DRIVE, SITUATED ON LOT 1B, BLOCK 1, MONTE VISTA SUBDIVISION, PLAT NO. 83-159 AND DEPICTED HEREON, ARE WITHIN THE MONTE VISTA TOWNHOMES, PHASE 1 DEVELOPMENT. UNITS 1860 A-D, MONTE VISTA DRIVE HAVE BEEN COMPLETED SUBSTANTIALLY AS SHOWN ON THE PLANS FILED HEREWITH.



JEFFERY A. GASTALDI
GASTALDI LAND SURVEYING, LLC
4726 WEST 88TH AVENUE
ANCHORAGE, ALASKA 99502

3/18/2005
DATE

GASTALDI LAND SURVEYING, LLC

4726 WEST 88TH AVENUE
ANCHORAGE, ALASKA 99502
PHONE: 907-248-5454

AS-BUILT
SHEET
2 OF 4

DATE: 3/14/2005

SCALE: N/A

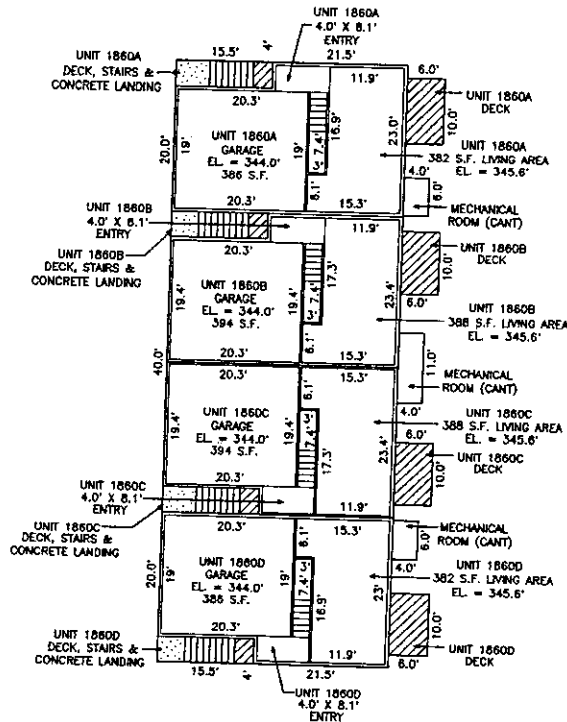
JOB NO.: MV2A

FIELD BOOK: 05-03

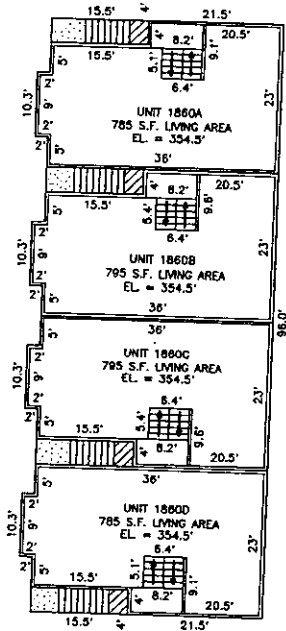


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2005-006660-0

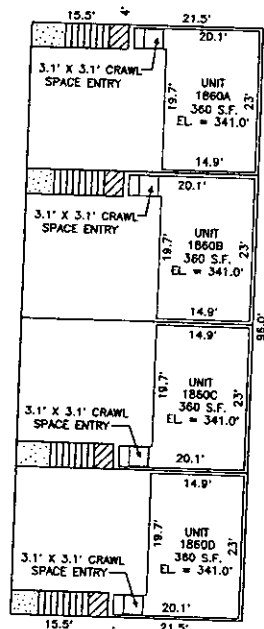
PHASE 1 DEVELOPMENT UNITS 1860 A-D, MONTE VISTA DRIVE BUILDING DETAIL



LEVEL ONE



LEVEL TWO



CRAWL SPACE

GASTALDI LAND SURVEYING, LLC 4726 WEST 88TH AVENUE
ANCHORAGE, ALASKA 99502
PHONE: 907-248-5454

AS-BUILT
SHEET
4 OF 4

DATE: 3/14/2005

SCALE: 1"=20'

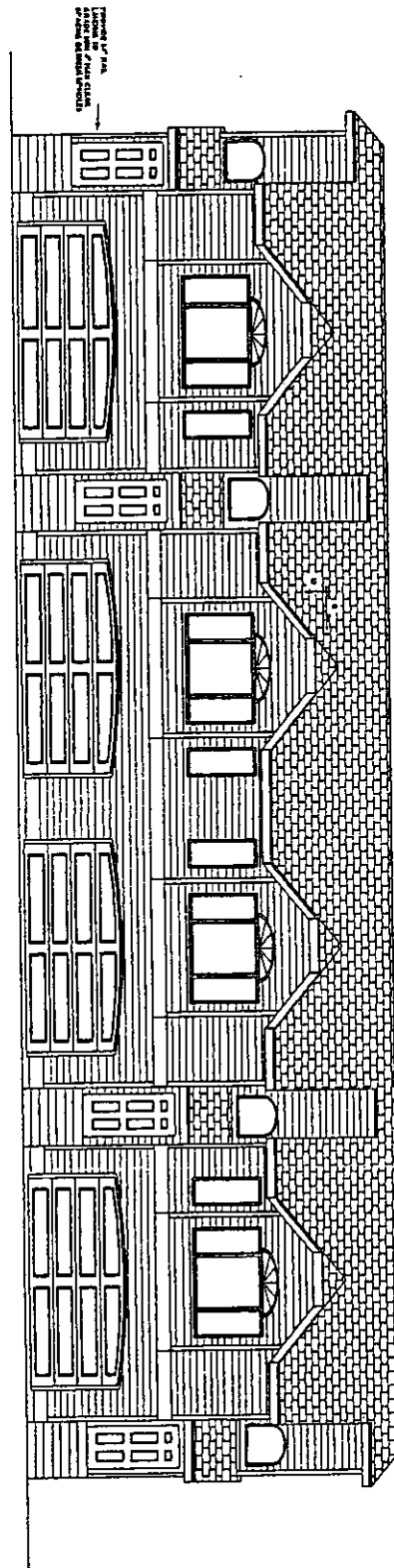
JOB NO.: MV4A

FIELD BOOK: 05-03

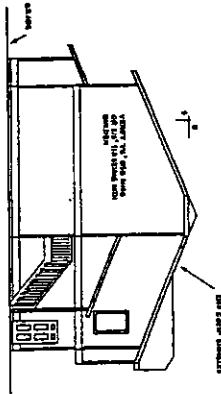
LOT 1B, BLOCK 1, MONTE VISTA SUBD., PLAT NO. 83-159, PALMER RECORDING DISTRICT, PALMER ALASKA



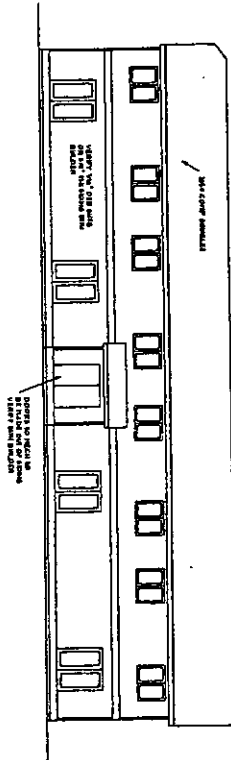
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2006-006660-0



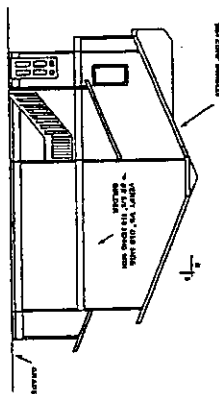
FRONT ELEVATION
1/12



LEFT SIDE ELEVATION
1/12



REAR ELEVATION
1/12



RIGHT SIDE ELEVATION
1/12

SHEET	DESCRIPTION
1	FRONT ELEVATION
2	REAR ELEVATION
3	LEFT SIDE ELEVATION
4	RIGHT SIDE ELEVATION
5	FOUNDATION PLAN

CARLESON CUSTOM HOMES
PO BOX 250334 - ANCHORAGE, AK 99501
PHONE: (907) 345-7252

BLIND MONKEY DESIGN

4361 GOLDENVIEW DRIVE ANCHORAGE, ALASKA 99516
PHONE: (907) 345-5238 FAX: (907) 345-5238

ALL DESIGN DRAWINGS AND/OR ARCHITECTURE NOT SHOWN ON THESE PAGES ARE THE EXCLUSIVE PROPERTY OF BLIND MONKEY DESIGN. THEY ARE LIMITED TO THE PROJECT AND THE CONTRACTOR THEY WERE DEVELOPED FOR. ANY REPRODUCTION OR REPRODUCTION OF THESE SAID PLANS IS STRICTLY PROHIBITED. ALLOWED FOR DESIGN PLANS ARE NOT GUARANTEED IN ANY WAY BY BLIND MONKEY DESIGN.

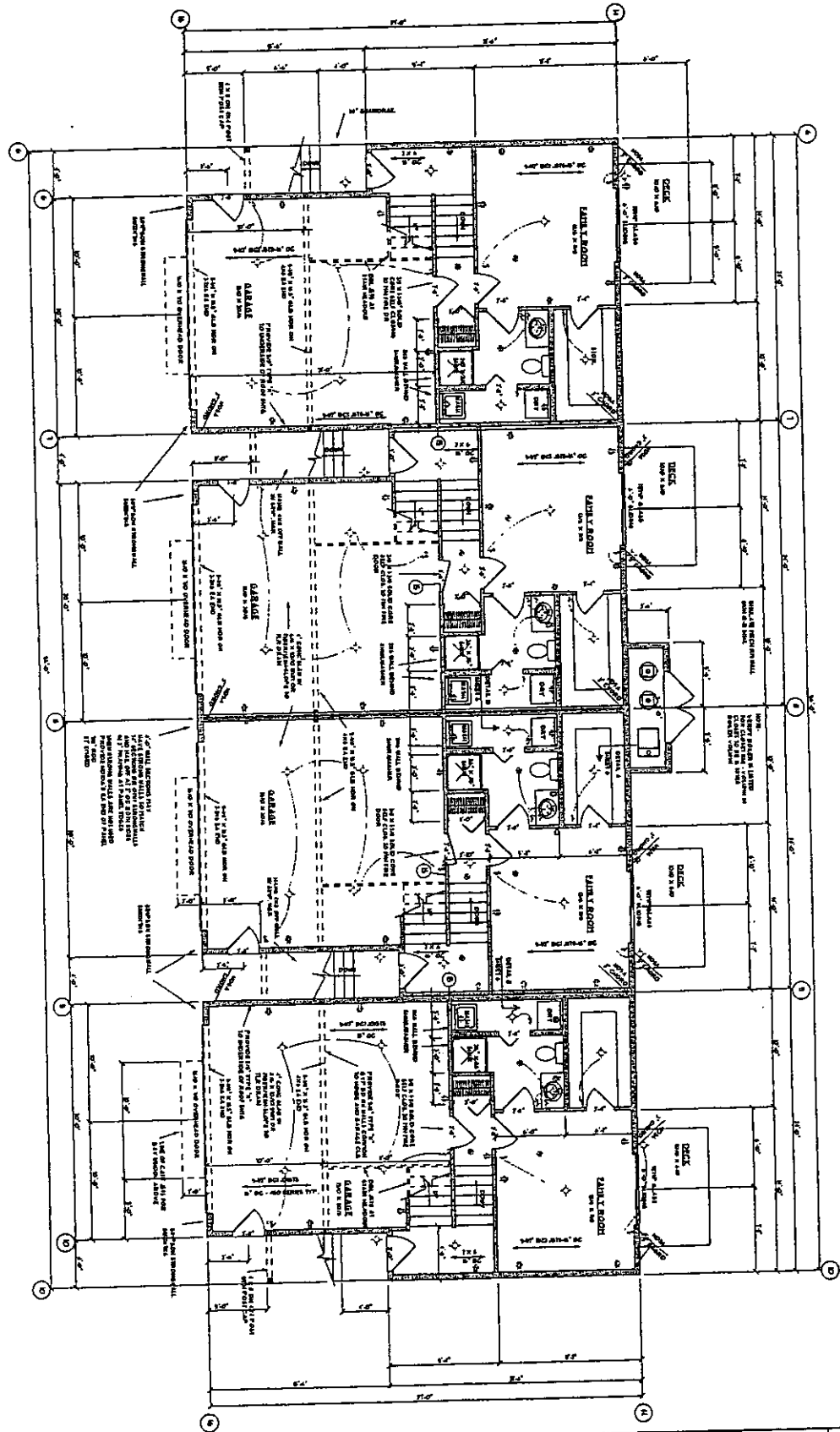


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2005-006660-0

NOTE:
 ALL DIMENSIONS AND FINISHES TO MATCH
 ARCHITECTURAL DRAWINGS AND SPECIFICATIONS
 UNLESS OTHERWISE NOTED
 ALL DIMENSIONS ARE TO FACE UNLESS NOTED OTHERWISE
 ALL FINISHES ARE TO MATCH ARCHITECTURAL DRAWINGS
 UNLESS OTHERWISE NOTED
 ALL DIMENSIONS ARE TO FACE UNLESS NOTED OTHERWISE
 ALL FINISHES ARE TO MATCH ARCHITECTURAL DRAWINGS
 UNLESS OTHERWISE NOTED

FIRST FLOOR PLAN



DATE: 05/05/00
 DRAWN BY: JLM
 CHECKED BY: JLM
 JOB NO: 0370

CARLESON CUSTOM HOMES
 PO BOX 730334 - ANCHORAGE, AK 99507
 PHONE: (907) 349-2952

BLIND MONKEY DESIGN
 14361 GOLDENVIEW DRIVE ANCHORAGE, ALASKA 99516
 PHONE: (907) 345-5238 FAX: (907) 345-5238

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 ALLOWED FOR EXHIBIT ONLY AND NOT TO BE REPRODUCED IN ANY WAY BY BLIND MONKEY DESIGN

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 2005-006660-0

- GENERAL WALL SCHEDULE**
- 1. 1/2" CMU with 1/2" rebar in all exterior walls.
 - 2. 1/2" CMU with 1/2" rebar in all interior walls.
 - 3. 1/2" CMU with 1/2" rebar in all exterior walls.
 - 4. 1/2" CMU with 1/2" rebar in all interior walls.
 - 5. 1/2" CMU with 1/2" rebar in all exterior walls.
 - 6. 1/2" CMU with 1/2" rebar in all interior walls.
 - 7. 1/2" CMU with 1/2" rebar in all exterior walls.
 - 8. 1/2" CMU with 1/2" rebar in all interior walls.
 - 9. 1/2" CMU with 1/2" rebar in all exterior walls.
 - 10. 1/2" CMU with 1/2" rebar in all interior walls.

WALL SCHEDULE

1. 1/2" CMU with 1/2" rebar in all exterior walls.

2. 1/2" CMU with 1/2" rebar in all interior walls.

3. 1/2" CMU with 1/2" rebar in all exterior walls.

4. 1/2" CMU with 1/2" rebar in all interior walls.

5. 1/2" CMU with 1/2" rebar in all exterior walls.

6. 1/2" CMU with 1/2" rebar in all interior walls.

7. 1/2" CMU with 1/2" rebar in all exterior walls.

8. 1/2" CMU with 1/2" rebar in all interior walls.

9. 1/2" CMU with 1/2" rebar in all exterior walls.

10. 1/2" CMU with 1/2" rebar in all interior walls.

FLOOR FINISHES

1. 1/2" CMU with 1/2" rebar in all exterior walls.

2. 1/2" CMU with 1/2" rebar in all interior walls.

3. 1/2" CMU with 1/2" rebar in all exterior walls.

4. 1/2" CMU with 1/2" rebar in all interior walls.

5. 1/2" CMU with 1/2" rebar in all exterior walls.

6. 1/2" CMU with 1/2" rebar in all interior walls.

7. 1/2" CMU with 1/2" rebar in all exterior walls.

8. 1/2" CMU with 1/2" rebar in all interior walls.

9. 1/2" CMU with 1/2" rebar in all exterior walls.

10. 1/2" CMU with 1/2" rebar in all interior walls.

ROOF FINISHES

1. 1/2" CMU with 1/2" rebar in all exterior walls.

2. 1/2" CMU with 1/2" rebar in all interior walls.

3. 1/2" CMU with 1/2" rebar in all exterior walls.

4. 1/2" CMU with 1/2" rebar in all interior walls.

5. 1/2" CMU with 1/2" rebar in all exterior walls.

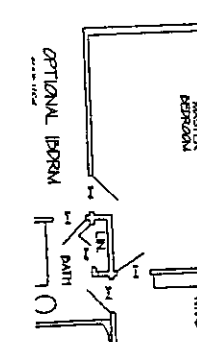
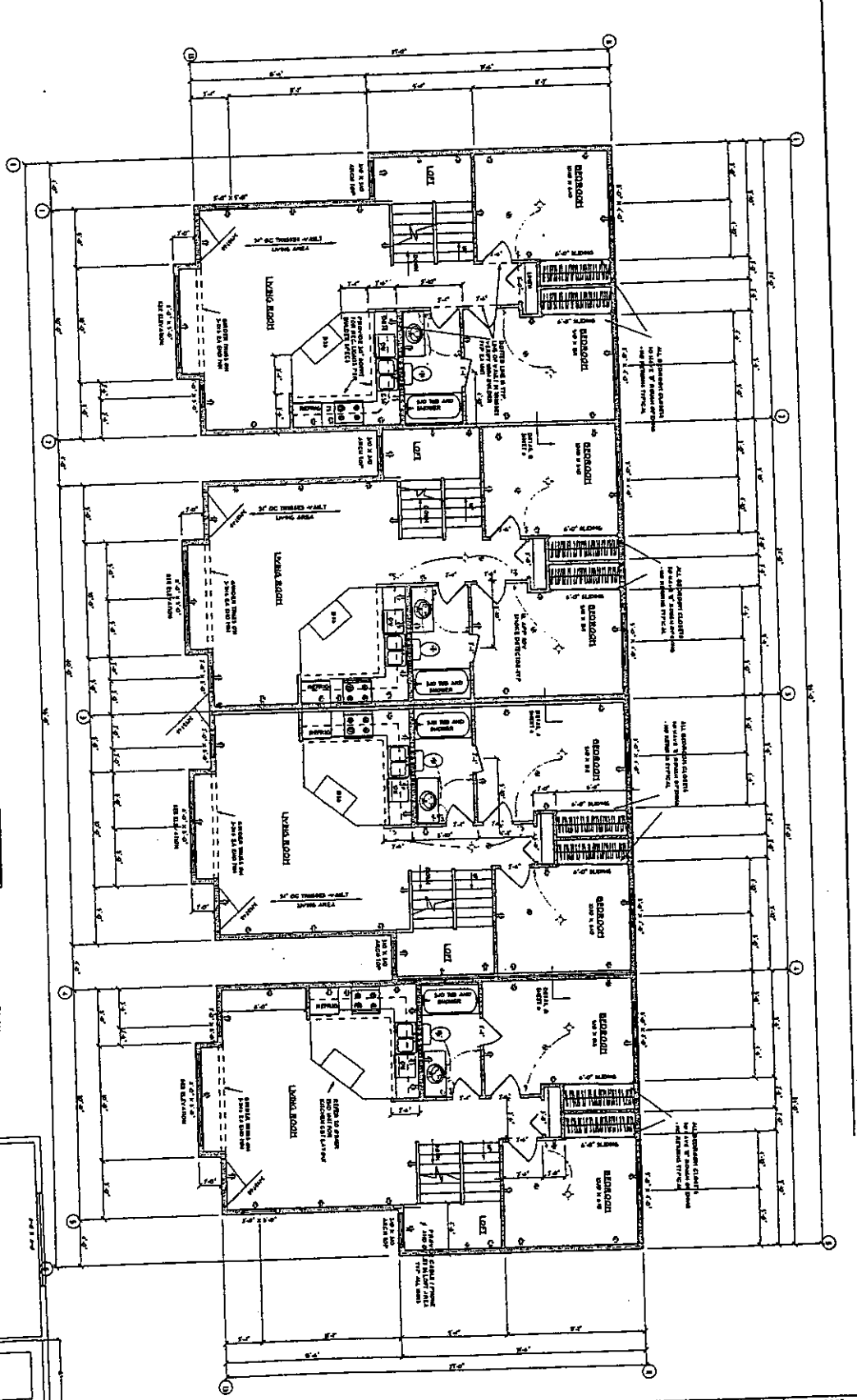
6. 1/2" CMU with 1/2" rebar in all interior walls.

7. 1/2" CMU with 1/2" rebar in all exterior walls.

8. 1/2" CMU with 1/2" rebar in all interior walls.

9. 1/2" CMU with 1/2" rebar in all exterior walls.

10. 1/2" CMU with 1/2" rebar in all interior walls.



OPTIONAL FLOOR PLAN

DATE: 08/01/03

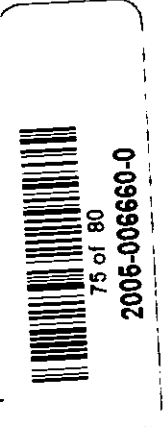
DESIGNER: J. M. M.

PROJECT: 03011

CARLESON CUSTOM HOMES
 PO BOX 230334 - ANCHORAGE, AK 99501
 PHONE: (907) 345-2952

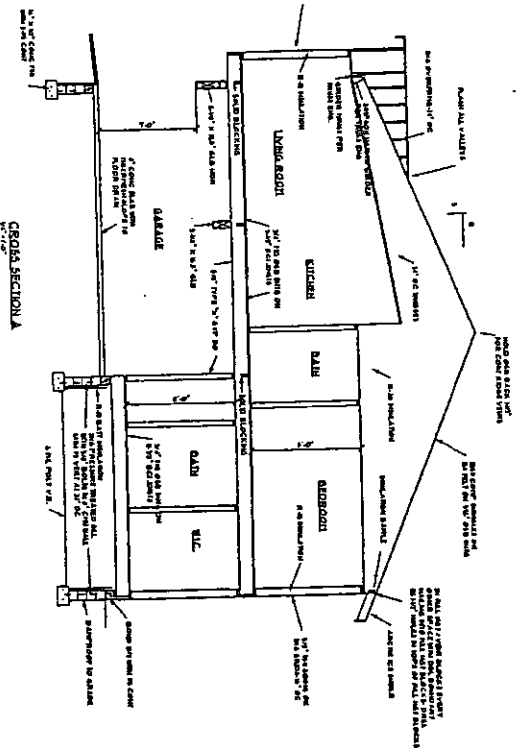
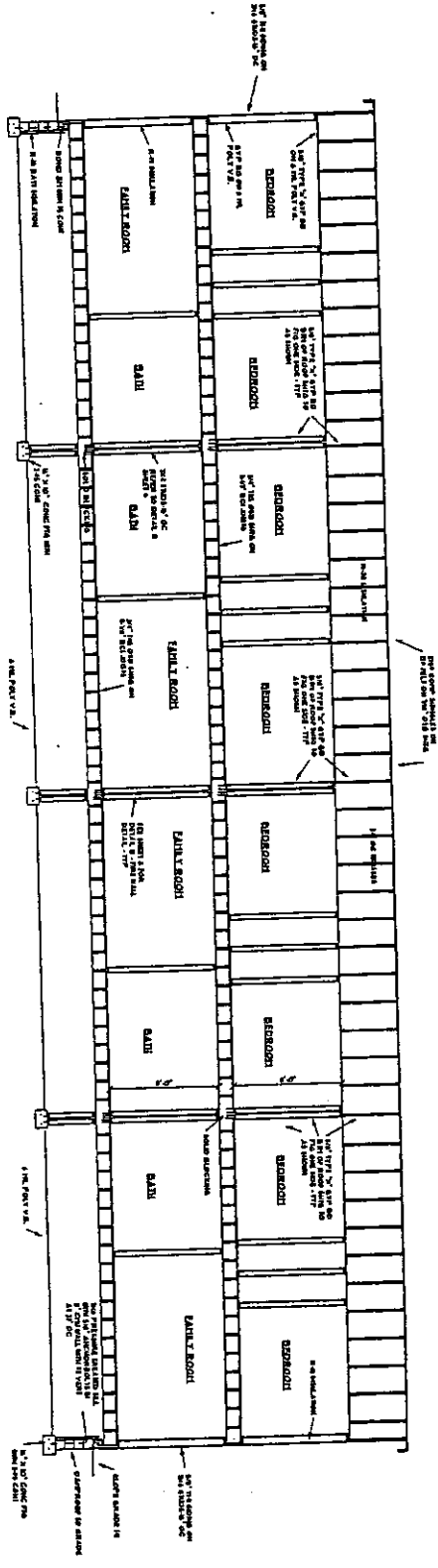
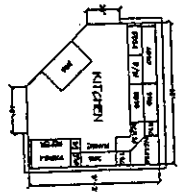
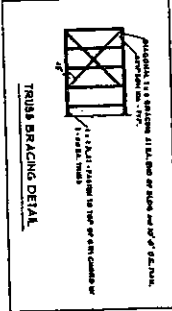
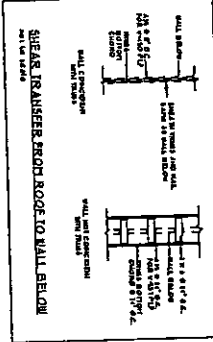
BLIND MONKEY DESIGN
 4361 GOLDENVIEW DRIVE ANCHORAGE, ALASKA 99516
 PHONE: (907) 345-5238 FAX: (907) 345-5238

ALL IDEAS, DIMENSIONS, MATERIALS, AND FINISHES ARE SUBJECT TO CHANGE WITHOUT NOTICE. THE CLIENT ACCEPTS RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION PROVIDED. THE ARCHITECT ASSUMES NO LIABILITY FOR THE ACCURACY OF THE INFORMATION PROVIDED. THE ARCHITECT ASSUMES NO LIABILITY FOR THE ACCURACY OF THE INFORMATION PROVIDED.



GENERAL NOTES:

- All work including plumbing, electrical, mechanical, and other trades shall be in accordance with the applicable codes and standards.
- The contractor shall be responsible for obtaining all necessary permits and licenses.
- The contractor shall be responsible for the safety of all workers and the public.
- The contractor shall be responsible for the protection of all existing structures and utilities.
- The contractor shall be responsible for the disposal of all waste materials.
- The contractor shall be responsible for the cleanup of the construction site.
- The contractor shall be responsible for the completion of all work within the specified time frame.
- The contractor shall be responsible for the payment of all subcontractors and suppliers.
- The contractor shall be responsible for the maintenance of accurate records of all work performed.
- The contractor shall be responsible for the coordination of all trades.
- The contractor shall be responsible for the communication with the owner and architect.
- The contractor shall be responsible for the quality of all workmanship.
- The contractor shall be responsible for the safety of all workers and the public.
- The contractor shall be responsible for the protection of all existing structures and utilities.
- The contractor shall be responsible for the disposal of all waste materials.
- The contractor shall be responsible for the cleanup of the construction site.
- The contractor shall be responsible for the completion of all work within the specified time frame.
- The contractor shall be responsible for the payment of all subcontractors and suppliers.
- The contractor shall be responsible for the maintenance of accurate records of all work performed.
- The contractor shall be responsible for the coordination of all trades.
- The contractor shall be responsible for the communication with the owner and architect.
- The contractor shall be responsible for the quality of all workmanship.



NOTE:
 PROVIDE THE FOLLOWING INFORMATION TO THE ARCHITECT:
 1. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND LICENSES.
 2. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE SAFETY OF ALL WORKERS AND THE PUBLIC.
 3. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING STRUCTURES AND UTILITIES.
 4. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE DISPOSAL OF ALL WASTE MATERIALS.
 5. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE CLEANUP OF THE CONSTRUCTION SITE.
 6. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE COMPLETION OF ALL WORK WITHIN THE SPECIFIED TIME FRAME.
 7. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PAYMENT OF ALL SUBCONTRACTORS AND SUPPLIERS.
 8. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE MAINTENANCE OF ACCURATE RECORDS OF ALL WORK PERFORMED.
 9. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE COORDINATION OF ALL TRADES.
 10. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE COMMUNICATION WITH THE OWNER AND ARCHITECT.
 11. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE QUALITY OF ALL WORKMANSHIP.

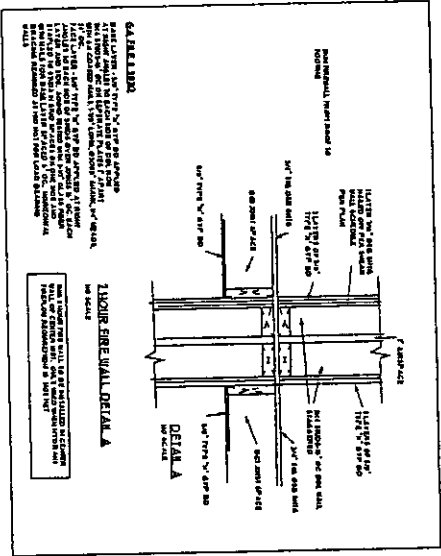
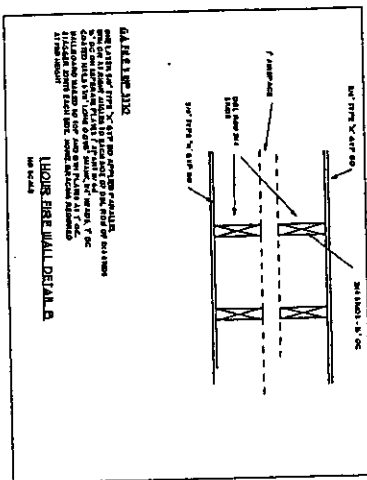
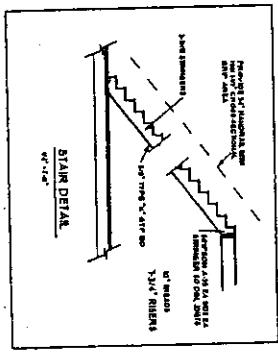
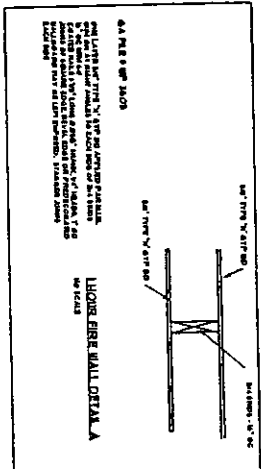


CARLESON CUSTOM HOMES
 PO BOX 230334 - ANCHORAGE, AK 99501
 PHONE: (907) 345-7552

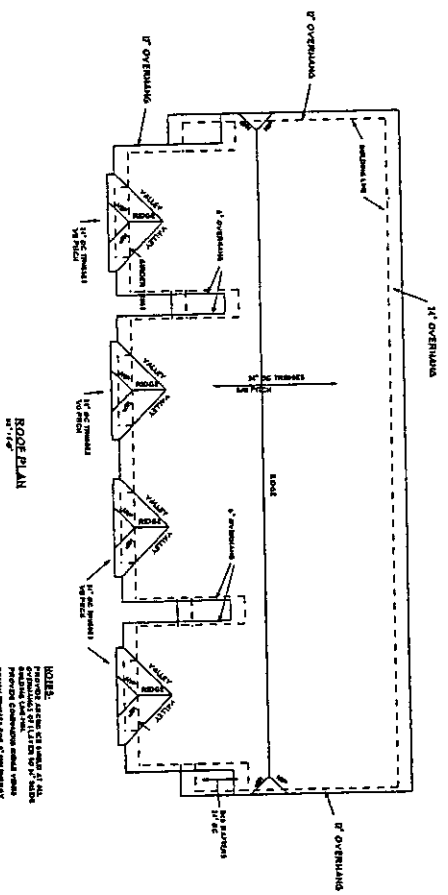
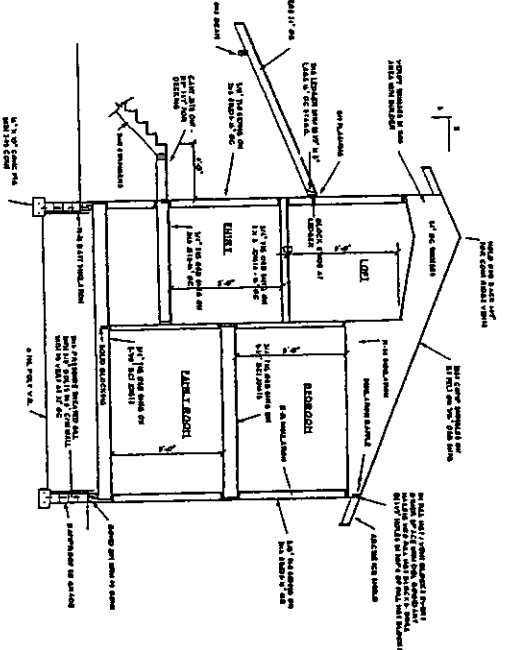
BLIND MONKEY DESIGN
 4361 GOLDENVIEW DRIVE ANCHORAGE, ALASKA 99516
 PHONE: (907) 345-5236 FAX: (907) 345-5238

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DATE: 01/03/05
SECTION: A, B, C
PLAN: B, C
JOB: 01-14



NOTES:
 1. ALL MATERIALS SHALL BE APPROVED BY THE LOCAL BUILDING DEPARTMENT.
 2. ALL MATERIALS SHALL BE INSTALLED IN ACCORDANCE WITH THE LOCAL BUILDING DEPARTMENT CODES.
 3. ALL MATERIALS SHALL BE INSTALLED IN ACCORDANCE WITH THE LOCAL BUILDING DEPARTMENT CODES.



NOTES:
 1. ALL MATERIALS SHALL BE APPROVED BY THE LOCAL BUILDING DEPARTMENT.
 2. ALL MATERIALS SHALL BE INSTALLED IN ACCORDANCE WITH THE LOCAL BUILDING DEPARTMENT CODES.
 3. ALL MATERIALS SHALL BE INSTALLED IN ACCORDANCE WITH THE LOCAL BUILDING DEPARTMENT CODES.

DATE: 03/10/01
SECTION: C-ROOF
PLAN: R.F.1
JOB: B.1 - 01-75

CARLESON CUSTOM HOMES
 PO BOX 130334 - ANCHORAGE, AK 99501
 PHONE: (907) 345-7252

BLIND MONKEY DESIGN
 14361 GOLDENVIEW DRIVE ANCHORAGE, ALASKA 99516
 PHONE: (907) 345-5238 FAX: (907) 345-5238

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EXHIBIT C

TABLE OF ALLOCATED INTERESTS

<u>Unit No.</u>	<u>Percentage Interest</u>	<u>Votes in Association</u>
1860 Monte Vista Drive, Unit A	25%	1
1860 Monte Vista Drive, Unit B	25%	1
1860 Monte Vista Drive, Unit C	25%	1
1860 Monte Vista Drive, Unit D	25%	1
	<hr/>	<hr/>
TOTAL:	100%	4



EXHIBIT D

EASEMENTS, COVENANTS AND/OR LICENSES

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.

Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings whether or not shown by the records of such agency or by the public records.

2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (1) Unpatented mining claims; (2) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (3) water rights, claims or title to water, whether or not the matter excepted under (1), (2) or (3) are shown by the public records.
6. Rights of the State or federal government and/or public in and to any portion of the land for right of way as established by federal statute RS2477 (aka 43 USC 932) (whether or not such rights are shown by recordings of easements and/or maps in the public records by the State of Alaska showing the general location of these rights of way).
7. Reservations and exceptions as contained in U.S. Patent recorded in Book 21 at Page 265.
8. Taxes due the Matanuska-Susitna Borough for the year 2004 are a lien. However, a levy has not yet been made at this time.
9. Blanket Easement granted to Matanuska Electric Association, Inc., recorded June 7, 1957, in Book 23 at Page 233.



10. Easement(s) as delineated on the plat of Monte Vista Subdivision.
11. Covenants, conditions and restrictions, including the terms and provisions thereof, recorded November 6, 1981 in Book 248 at Page 384.

Amended Covenants, Conditions and Restrictions including terms and provisions thereof, in Declaration recorded March 23, 1982, in Book 258 at Page 331.





CC

- PALMER RECORDING DISTRICT -**AMENDMENT TO THE DECLARATION
FOR
MONTE VISTA TOWNHOME CONDOMINIUMS
(Adding Phase II, or 4 Additional Units)**

Carleson Homes and Development, Inc., Declarant of the Declaration for Monte Vista Townhome Condominiums, recorded March 23, 2005, in the records of the Palmer Recording District, Third Judicial District, State of Alaska, and identified by document identification number 2005-006660-0, pursuant to the Declarant's reservation of development rights under Article 6 of the Declaration to add Units and/or Common Elements, by this Amendment adds Phase II, or four (4) additional Units, to the jurisdiction of the Monte Vista Townhome Condominium Association and this Declaration.

The Common Interest Community of Monte Vista Townhome Condominiums presently consists of four (4) Units: 1860 Monte Vista Drive, Unit A; 1860 Monte Vista Drive, Unit B; 1860 Monte Vista Drive, Unit C; and 1860 Monte Vista Drive, Unit D.

Section 1. By this Amendment, Phase II, or the following four (4) additional Units, are submitted to the jurisdiction of the Monte Vista Townhome Condominium Association and the Declaration: 1850 Monte Vista Drive, Unit A; 1850 Monte Vista Drive, Unit B; 1850 Monte Vista Drive, Unit C; and 1850 Monte Vista Drive, Unit D, Monte Vista Townhome Condominiums.

Section 2. Pursuant to Article 7 of the Declaration, Revised Exhibit "C" (Table of Allocated Interests) is attached to this Amendment and hereby incorporated by reference.

Section 3. In accordance with AS 34.08.090(b), attached to and recorded with this amendment is a certificate of completion, executed by an independent registered land surveyor for Phase II, containing: 1850 Monte Vista Drive, Unit A; 1850 Monte Vista Drive, Unit B; 1850 Monte Vista Drive, Unit C; and 1850 Monte Vista Drive, Unit D, Monte Vista Townhome Condominiums.

Section 4. Pursuant to Article 16 of the Declaration, the attached Plans to be added to Exhibit "B" to the Declaration, are also attached to this Amendment and hereby incorporated by reference.

Section 5. Capitalized terms used herein without definition shall have the meaning ascribed to them in the Declaration.

Section 6. All provisions of the Declaration not expressly amended herein shall continue in full force and effect unless amendment must be implied for consistency with the amendments contained herein.

Section 7. If any term, covenant or condition of this Amendment is held to be invalid or unenforceable in any respect, such invalidity or unenforceability shall not affect any other provision hereof and this Amendment shall be construed as if such invalid or unenforceable provision had never been contained herein.

IN WITNESS WHEREOF, the Declarant has caused this Amendment to be executed this 14th day of April, 2005.

CARLESON HOMES AND DEVELOPMENT, INC.

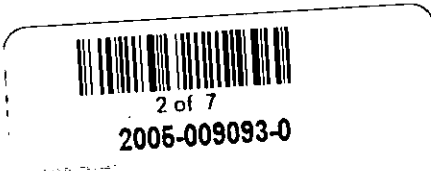
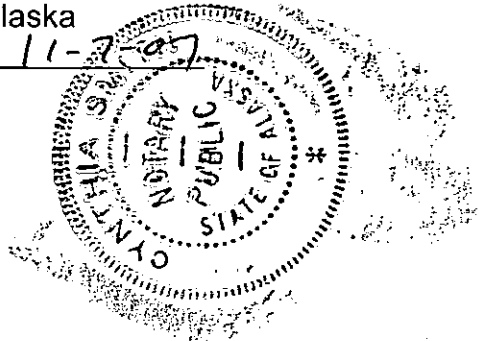
By: Robert D. Carleson
Robert D. Carleson
President

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

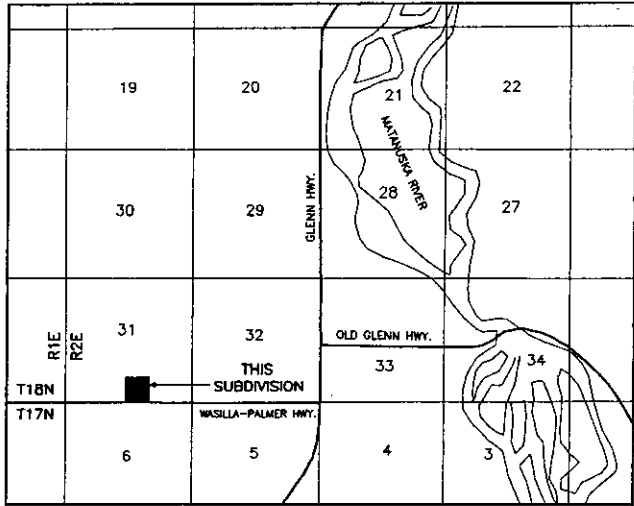
THIS IS TO CERTIFY that on this 14th day of April, 2005, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared ROBERT D. CARLESON, President of Carleson Homes and Development, Inc., known to me to be the individual named herein and the individual who executed the foregoing instrument, and acknowledged the execution thereof to be his free and voluntary act and deed on behalf of the corporation for the uses and purposes therein set forth.

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

Cynthia Smith
Notary Public in and for Alaska
My Commission Expires: 11-7-07



**MONTE VISTA TOWNHOMES
PHASE 2 DEVELOPMENT
LOT 1B, BLOCK 1, MONTE VISTA SUBDIVISION
UNITS 1850 A-D, MONTE VISTA DRIVE**



NOTES:

1. ALL DISTANCES, DIMENSIONS AND ELEVATIONS ARE GIVEN IN FEET AND DECIMAL PORTIONS OF FEET.
2. ALL BUILDING TIES ARE AT 90° TO THE PROPERTY LINES.
3. ELEVATIONS ARE BASED ON MATANUSKA-SUSITNA BOROUGH TOPOGRAPHIC MAPS, 1972 NGS DATUM, AND SHOULD SUFFICE.
4. EACH UNIT IS DESIGNATED A NUMBER INDICATING THE STREET ADDRESS, (I.E., 1850A MONTE VISTA DRIVE).
5. THIS PROJECT IS LOCATED ON LOT 1B, BLOCK 1, MONTE VISTA SUBD., PLAT NO 83-159, LOCATED WITHIN THE SE1/4, SECTION 31, T18N, R2E, S.M., AK.
6. THE CONDOMINIUMS DEPICTED HEREON ARE SUBJECT TO THE PROVISIONS OF THE "UNIFORM COMMON INTEREST OWNERSHIP ACT", ALASKA STATUTES 34.08.
7. EXTERIOR WALLS OF THE EXISTING STRUCTURES AS SHOWN ALIGN WITH AS-BUILT PLANS AS SHOWN ON SHEET 3.
8. INCREMENTAL SQUARE FOOTAGES FOR EACH UNIT ARE LISTED ON THE AS-BUILT PLANS AS SHOWN ON SHEET 4.
9. FLOOR AREAS FOR EACH EXISTING STRUCTURE ARE LISTED FOR EACH INDIVIDUAL UNIT AS SHOWN ON SHEET 4.
10. DECKS SHOWN HEREON ARE LIMITED COMMON ELEMENTS ACCORDING TO ARTICLE 5 OF THE DECLARATION OR AS OTHERWISE SPECIFIED IN THE DECLARATION.
11. AREAS OUTSIDE OF UNIT BOUNDARIES AND LIMITED COMMON ELEMENTS AS SHOWN ON SHEETS 3 AND 4 OR AS SPECIFIED IN THE DECLARATION, ARE COMMON ELEMENTS.

GASTALDI LAND SURVEYING, LLC		4726 WEST 88TH AVENUE ANCHORAGE, ALASKA 99502 PHONE: 907-248-5454	AS-BUILT SHEET 1 OF 4
DATE: 4/5/2005	SCALE: 1"=1 MILE	JOB NO.: MV1B	FIELD BOOK: 05-03
LOT 1B, BLOCK 1, MONTE VISTA SUBD., PLAT NO. 83-159, PALMER RECORDING DISTRICT, PALMER, ALASKA			

3 of 7
2006-009093-0

SURVEYOR'S CERTIFICATE

SECTION 34.08.170 OF THE COMMON INTEREST OWNERSHIP ACT REQUIRES THAT A CERTIFICATION BE MADE WHICH STATES THE PLAT AND PLAN CONTAINS THE INFORMATION AS SET FORTH IN SECTION 34.08.170.

I DO HEREBY CERTIFY THAT THIS FLOOR PLAN IS A TRUE AND CORRECT LAYOUT OF UNITS ACCURATELY SURVEYED TO DEPICT AN AS-BUILT SURVEY, AND THAT THE INFORMATION AS REQUIRED BY ALASKA STATUTE 34.08.170 IS PROVIDED FOR ON THESE PLANS.

Jeffery A. Gastaldi

4-14-2005

JEFFERY A. GASTALDI
GASTALDI LAND SURVEYING, LLC
4726 WEST 88TH AVENUE
ANCHORAGE, ALASKA 99502

DATE

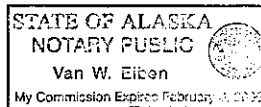


NOTARY ACKNOWLEDGEMENT

SUBSCRIBED AND SWORN TO BEFORE ME THIS 14th DAY OF April, 2005.

02-06-2006
MY COMMISSION EXPIRES

Van W. Eiben
NOTARY PUBLIC



CERTIFICATE OF COMPLETION

SECTION 34.08.090 OF THE UNIFORM COMMON INTEREST OWNERSHIP ACT PROVIDES THAT A DECLARATION FOR A CONDOMINIUM MAY NOT BE RECORDED AND A PLAT OR PLAN THAT IS PART OF THE DECLARATION FOR A CONDOMINIUM MAY NOT BE FILED UNLESS A CERTIFICATE OF COMPLETION IS RECORDED WITH THE DECLARATION AS EVIDENCE THAT THE STRUCTURAL COMPONENTS AND MECHANICAL SYSTEM OF EACH BUILDING CONTAINING OR COMPRISING A UNIT OF THE CONDOMINIUM ARE COMPLETED SUBSTANTIALLY IN ACCORDANCE WITH THE PLANS.

THIS IS TO CERTIFY THAT 1850 A-D, MONTE VISTA DRIVE, SITUATED ON LOT 1B, BLOCK 1, MONTE VISTA SUBDIVISION, PLAT NO. 83-159 AND DEPICTED HEREON, ARE WITHIN THE MONTE VISTA TOWNHOMES, PHASE 2 DEVELOPMENT. UNITS 1850 A-D, MONTE VISTA DRIVE HAVE BEEN COMPLETED SUBSTANTIALLY AS SHOWN ON THE PLANS FILED HERewith.

Jeffery A. Gastaldi

4-14-05

JEFFERY A. GASTALDI
GASTALDI LAND SURVEYING, LLC
4726 WEST 88TH AVENUE
ANCHORAGE, ALASKA 99502

DATE

GASTALDI LAND SURVEYING, LLC

4726 WEST 88TH AVENUE
ANCHORAGE, ALASKA 99502
PHONE: 907-248-5454

AS-BUILT
SHEET
2 OF 4

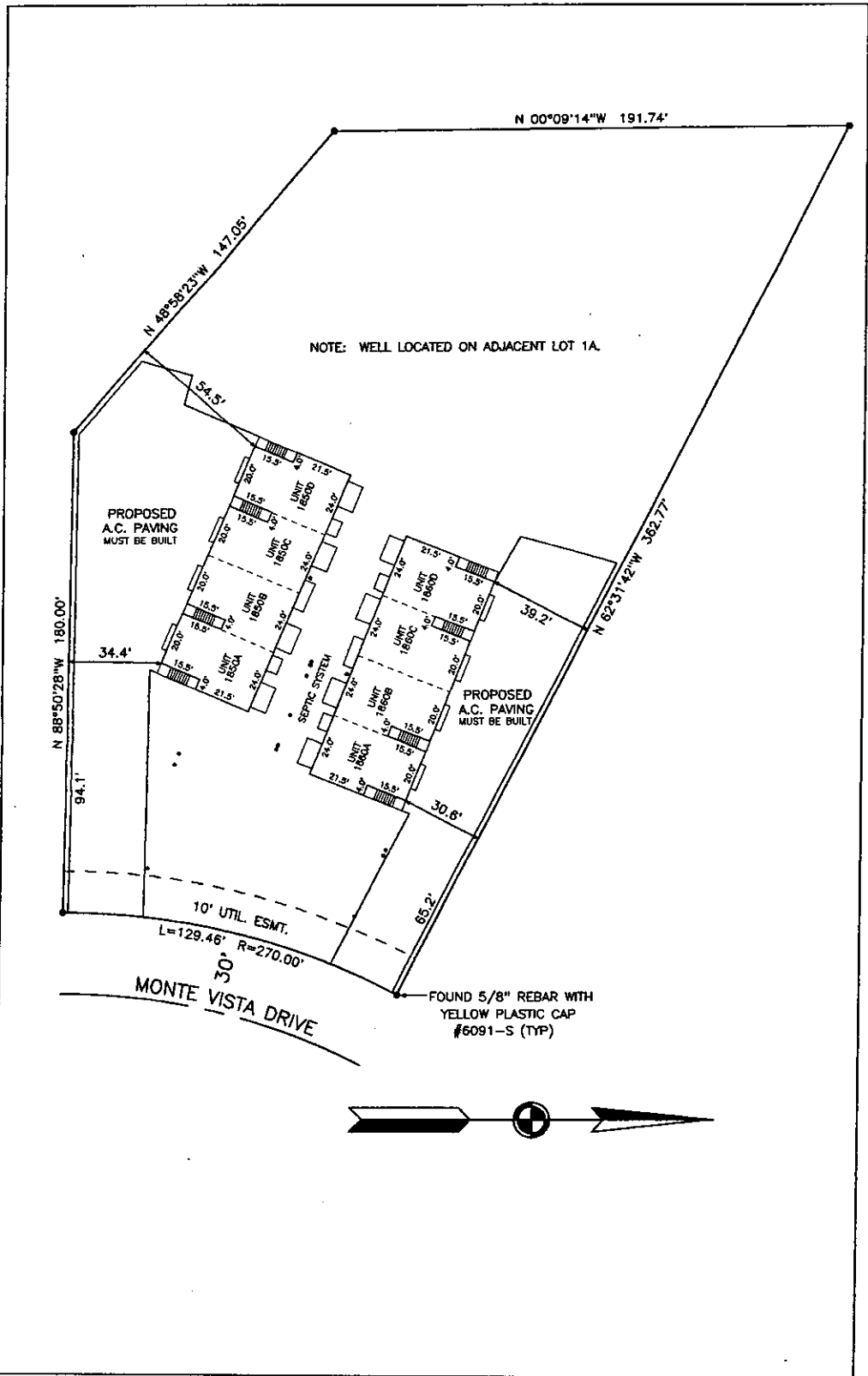
DATE: 4/5/2005

SCALE: N/A

JOB NO.: MV2B

FIELD BOOK: 05-03





GASTALDI LAND SURVEYING, LLC

4726 WEST 88TH AVENUE
ANCHORAGE, ALASKA 99502
PHONE: 907-248-5454

AS-BUILT
SHEET
3 OF 4

DATE: 4/5/2005

SCALE: 1"=40'

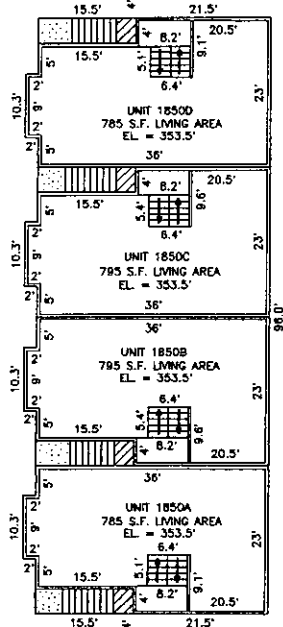
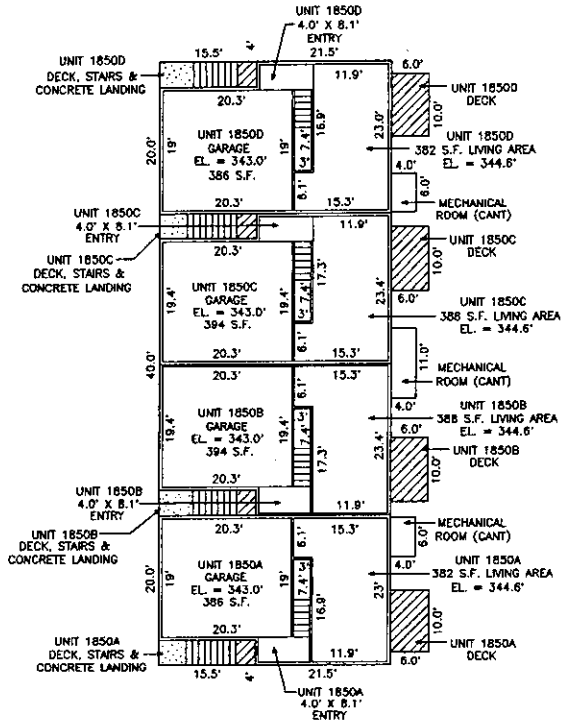
JOB NO. MV3B

FIELD BOOK: 05-03

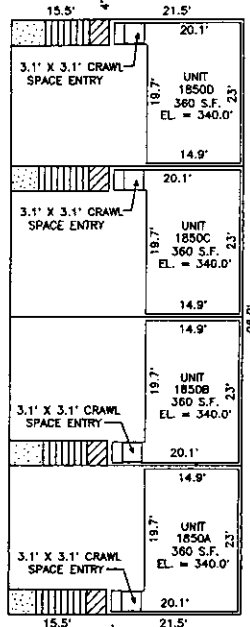
I HEREBY CERTIFY THAT I HAVE PERFORMED A MORTGAGE INSPECTION ON THE FOLLOWING DESCRIBED PROPERTY: LOT 1B, BLOCK 1, MONTE VISTA SUBD., PLAT NO. 83-159, PALMER RECORDING DISTRICT, PALMER, ALASKA, DATED APRIL 5, 2005.



PHASE 2 DEVELOPMENT UNITS 1850 A-D, MONTE VISTA DRIVE BUILDING DETAIL



LEVEL ONE



LEVEL TWO

CRAWL SPACE

GASTALDI LAND SURVEYING, LLC

4726 WEST 88TH AVENUE
ANCHORAGE, ALASKA 99502
PHONE: 907-248-5454

AS-BUILT
SHEET
4 OF 4

DATE: 4/5/2005

SCALE: 1"=20'

JOB NO.: MV4B

FIELD BOOK: 05-03

LOT 1B, BLOCK 1, MONTE VISTA SUBD., PLAT NO. 83-159, PALMER RECORDING DISTRICT, PALMER ALASKA



REVISED EXHIBIT C

TABLE OF ALLOCATED INTERESTS

<u>Unit No.</u>	<u>Percentage Interest</u>	<u>Votes in Association</u>
1860 Monte Vista Drive, Unit A	12.50%	1
1860 Monte Vista Drive, Unit B	12.50%	1
1860 Monte Vista Drive, Unit C	12.50%	1
1860 Monte Vista Drive, Unit C	12.50%	1
1850 Monte Vista Drive, Unit A	12.50%	1
1850 Monte Vista Drive, Unit B	12.50%	1
1850 Monte Vista Drive, Unit C	12.50%	1
1850 Monte Vista Drive, Unit C	12.50%	1
	<hr/>	<hr/>
TOTAL:	100.00%	8

Return To:

John H. Tindall, Esq.
Tindall Bennett & Shoup
508 W. Second Avenue, Third Floor
Anchorage, Alaska 99501



7 of 7

2006-009093-0



ce

- PALMER RECORDING DISTRICT -**AMENDMENT TO THE DECLARATION
FOR
MONTE VISTA TOWNHOME CONDOMINIUMS
(Adding Phase III, or 3 Additional Units)**

Carleson Homes and Development, Inc., Declarant of the Declaration for Monte Vista Townhome Condominiums, recorded March 23, 2005, in the records of the Palmer Recording District, Third Judicial District, State of Alaska, and identified by document identification number 2005-006660-0, pursuant to the Declarant's reservation of development rights under Article 6 of the Declaration to add Units and/or Common Elements, by this Amendment adds Phase III, or three (3) additional Units, to the jurisdiction of the Monte Vista Townhome Condominium Association and this Declaration.

The Common Interest Community of Monte Vista Townhome Condominiums presently consists of eight (8) Units: 1860 Monte Vista Drive, Unit A; 1860 Monte Vista Drive, Unit B; 1860 Monte Vista Drive, Unit C; 1860 Monte Vista Drive, Unit D; 1850 Monte Vista Drive, Unit A; 1850 Monte Vista Drive, Unit B; 1850 Monte Vista Drive, Unit C; and 1850 Monte Vista Drive, Unit D.

Section 1. By this Amendment, Phase III, or the following three (3) additional Units, are submitted to the jurisdiction of the Monte Vista Townhome Condominium Association and the Declaration: 1830 N. Monte Vista Drive, Unit D; 1830 N. Monte Vista Drive, Unit E; and 1830 N. Monte Vista Drive, Unit F, Monte Vista Townhome Condominiums.

Section 2. Unit Owners of the Phase III Units may, but are not obligated to, erect a fence along the designated yard area behind their respective Units as reflected on the Plans attached to this Amendment. Such fences are subject to Board approval as set forth in Section 9.4 of the Declaration. Fences may not exceed five feet (5') in height. All costs associated with the fencing in of designated yard area behind the Units shall be the sole responsibility of the respective Unit Owners. As reflected in Section 9.3 of the Declaration, care and maintenance of the area fenced, and of the fence itself, shall also be the responsibility of the respective Unit Owners.

The dimensions of the backyard area that may be fenced in for each Phase III Unit are set forth on the Plans attached to this Amendment, and designated as the area behind the Units as "Unit D Yard," "Unit E Yard," and "Unit F Yard," are as follows:

1830 N. Monte Vista Drive, Unit D:

West side: Extending ten feet (10') from the west-side exterior wall of the Unit, from the end of the designated parking area and continuing twenty feet (20') and one inch (1") to the rear of the property (i.e., fifteen feet (15') from the rear exterior wall of Unit D, and twenty feet (20') and one inch (1") from the rear exterior wall of the garage of Unit D); and

Rear: Extending fifteen feet (15') from the rear exterior wall of Unit D (and twenty feet (20') and one inch (1") from the rear exterior wall of the garage of Unit D), running ten feet (10') to the west of the Unit's boundary and extending easterly perpendicular to the Unit's boundary.

1830 N. Monte Vista Drive, Unit E:

Rear: Extending fifteen feet (15') from the rear exterior wall of Unit E (and twenty feet (20') and one inch (1") from the rear exterior wall of the garage of Unit E), running east and west perpendicular to the Unit's boundaries.

1830 N. Monte Vista Drive, Unit F:

East side: Extending ten feet (10') from the east-side exterior wall of Unit F, from the east-side front corner of the Unit extending to fifteen feet (15') behind the rear of the property (i.e., fifteen feet (15') from the rear exterior wall of Unit F, and twenty feet (20') and one inch (1") from the rear exterior wall of the garage of Unit F); and

Rear: Extending fifteen feet (15') from the rear exterior wall of Unit F (and twenty feet (20') and one inch (1") from the rear exterior wall of the garage of Unit F), running ten feet (10') to the east of the Unit's boundary and extending westerly perpendicular to the Unit's boundary.

The above descriptions are intended to be consistent with the physical layout of the designated yard areas behind the Units as set forth in the attached Plans. All fences



erected are to run in a straight line fifteen feet (15') from the rear exterior walls of the Units (and twenty feet (20') and one inch (1") from the rear exterior wall of the garages of the Units) as shown on the Plans attached hereto.

The designated yard areas in front of the Units are limited common elements, however, such designated yard areas in front of the Units may not be fenced in.

Section 3. Pursuant to Article 7 of the Declaration, Revised Exhibit "C" (Table of Allocated Interests) is attached to this Amendment and hereby incorporated by reference.

Section 4. In accordance with AS 34.08.090(b), attached to and recorded with this amendment is a certificate of completion, executed by an independent registered land surveyor for Phase III, containing: 1830 N. Monte Vista Drive, Unit D; 1830 N. Monte Vista Drive, Unit E; and 1830 N. Monte Vista Drive, Unit F, Monte Vista Townhome Condominiums.

Section 5. Pursuant to Article 16 of the Declaration, the attached Plans to be added to Exhibit "B" to the Declaration, are also attached to this Amendment and hereby incorporated by reference.


Section 6. Capitalized terms used herein without definition shall have the meaning ascribed to them in the Declaration.

Section 7. All provisions of the Declaration not expressly amended herein shall continue in full force and effect unless amendment must be implied for consistency with the amendments contained herein.

Section 8. If any term, covenant or condition of this Amendment is held to be invalid or unenforceable in any respect, such invalidity or unenforceability shall not affect any other provision hereof and this Amendment shall be construed as if such invalid or unenforceable provision had never been contained herein.

IN WITNESS WHEREOF, the Declarant has caused this Amendment to be executed this 18 day of April, 2008.

CARLESON HOMES AND DEVELOPMENT, INC.

By: 
Robert D. Carleson
President



STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 18 day of April, 2008, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared ROBERT D. CARLESON, President of Carleson Homes and Development, Inc., known to me to be the individual named herein and the individual who executed the foregoing instrument, and he acknowledged the execution thereof to be his free and voluntary act and deed on behalf of the corporation for the uses and purposes therein set forth.

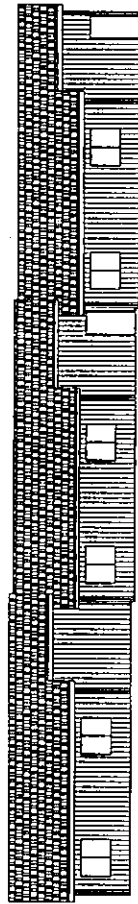
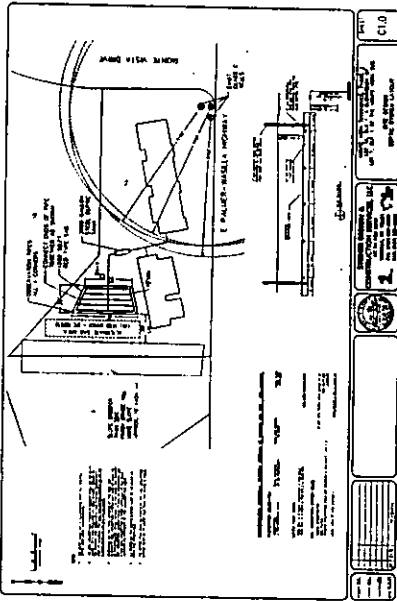
WITNESS my hand and notarial seal the day and year first hereinabove written.



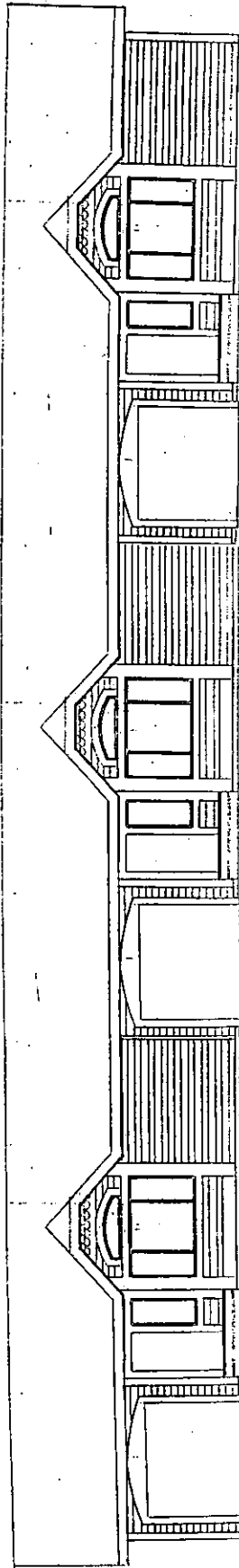
Tammy D. Brehm
Notary Public in and for Alaska
My Commission Expires: 10/31/08



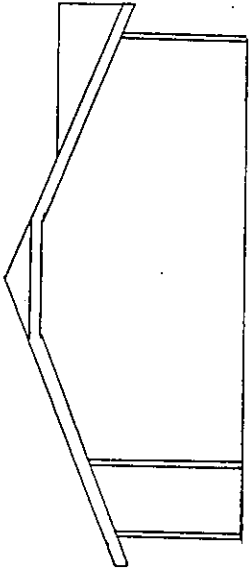
MONTE VISTA TOWNHOMES PHASE III



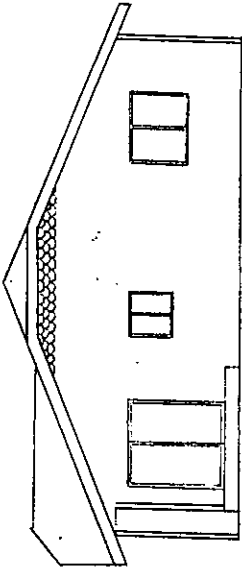
REAR ELEVATION



MONTE VISTA TOWNHOMES PHASE III



RIGHT SIDE

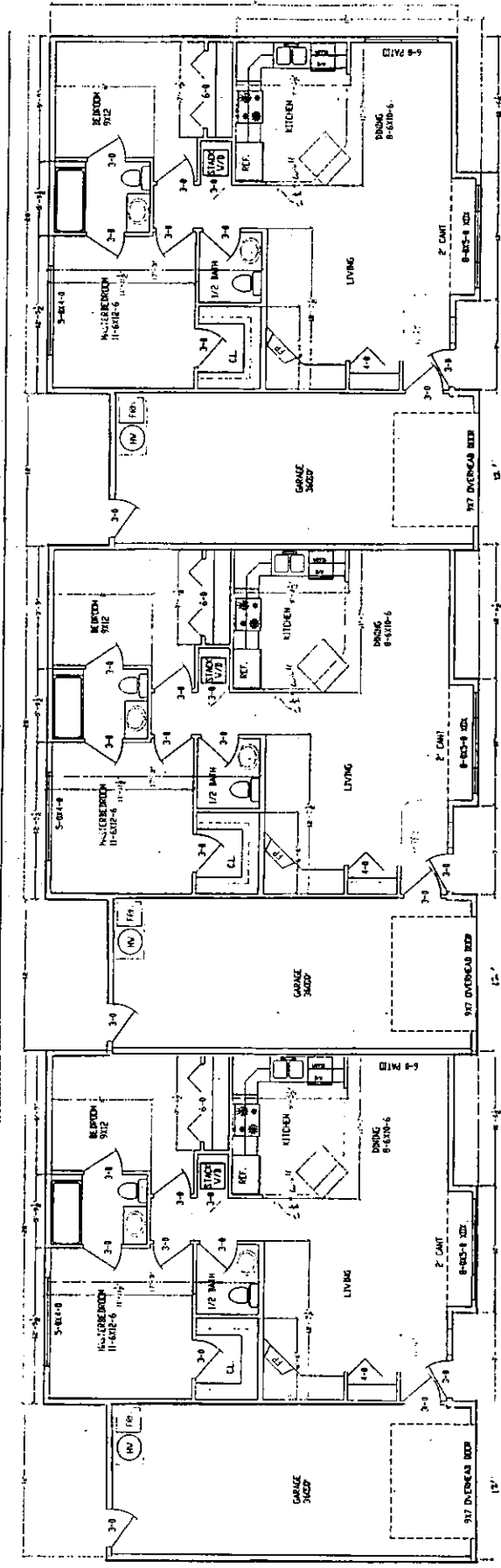


LEFT SIDE



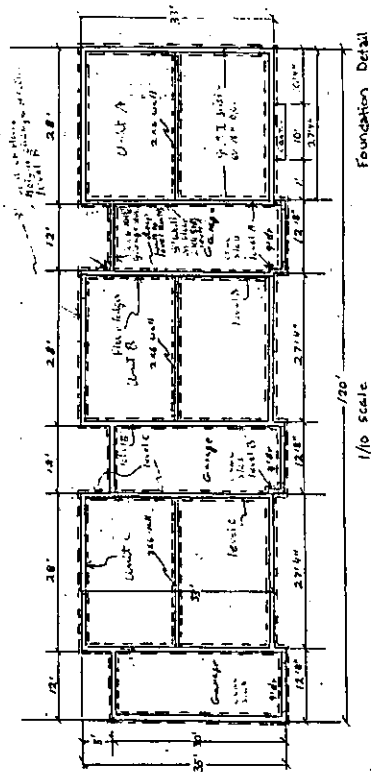
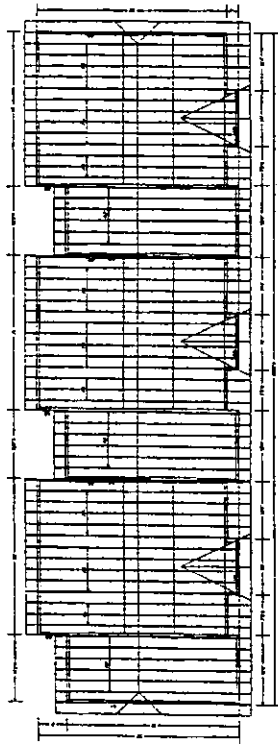
6 of 10
2008-008810-0

CARLESON HOMES & DEVELOPMENT
2750 E BROADVIEW AVE STE A
WASILLA, AK 99554
DESIGNED BY: CARLESON HOMES & DVP
2750 E BROADVIEW AVE STE A
WASILLA, AK 99554



Floor Plan

MONTE VISTA TOWNHOMES PHASE III



CARLESON HOMES & DEVELOPMENT 2750 E BROADVIEW AVE STE A WASILLA, AK 99654 DESIGNED BY: CARLESON HOMES & DVL P.	CARLESON HOMES & DEVELOPMENT 2750 E BROADVIEW AVE STE A WASILLA, AK 99654
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LOT
B L O C
MONTE
SUBDIV.
PLAT NO.

30' N. MONTE VISTA DR.

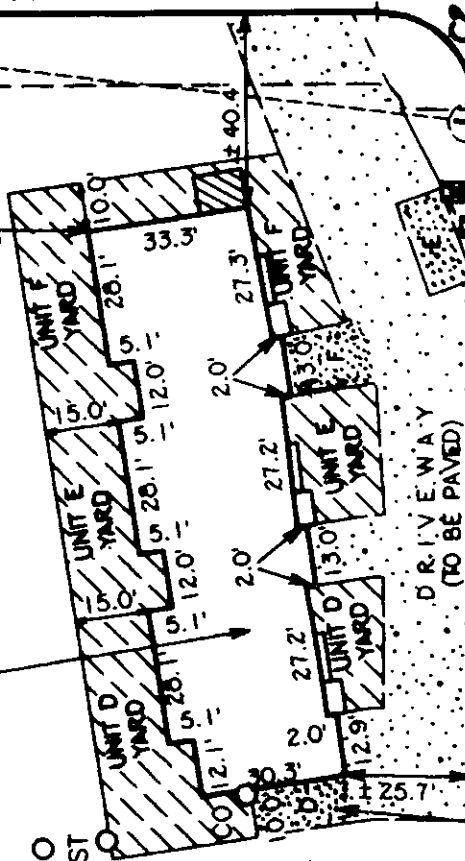
30' N 00°00'00" W 100.19'

LOT 1B

PHASE 3
1830 N. MONTE VISTA DR.
UNITS D, E, AND F,
SINGLE STORY FRAME
TRIPLEX CONDOMINIUM
(COMPLETED)

S 88°50'28" E 180.00'

N 48°38'23" W 147.08'



D.R.I.V.E.W.A.Y
(TO BE PAVED)

WELL
"A"

* DESIGNATE PARKING
AREA DIMENSIONS
UNIT D: 10' X 20'
UNIT E: 10' X 20'
UNIT F: 13' X 20'

DESIGNATED
PARKING
(TYPICAL) FOR
UNITS D, E & F
(TO BE PAVED)*

S 88°50'28" E 800.16'

LOT 1A
BLOCK 1

N 00°09'14" W 215.00'

E. PALMER WASILLA HIGHWAY



9 of 10
2008-008810-0

REVISED EXHIBIT C

TABLE OF ALLOCATED INTERESTS

<u>Unit No.</u>	<u>Percentage Interest</u>	<u>Votes in Association</u>
1860 Monte Vista Drive, Unit A	9.09%	1
1860 Monte Vista Drive, Unit B	9.09%	1
1860 Monte Vista Drive, Unit C	9.09%	1
1860 Monte Vista Drive, Unit D	9.09%	1
1850 Monte Vista Drive, Unit A	9.09%	1
1850 Monte Vista Drive, Unit B	9.09%	1
1850 Monte Vista Drive, Unit C	9.09%	1
1850 Monte Vista Drive, Unit D	9.09%	1
1830 N. Monte Vista Drive, Unit D	9.09%	1
1830 N. Monte Vista Drive, Unit E	9.09%	1
1830 N. Monte Vista Drive, Unit F	9.09%	1
TOTAL:	100.00%	11

Return To:

John H. Tindall, Esq.
Tindall Bennett & Shoup
508 W. Second Avenue, Third Floor
Anchorage, Alaska 99501



10 of 10

2008-008810-0

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2008-022850-0

Recording Dist: 311 - Palmer

10/15/2008 9:36 AM Pages: 1 of 6



- PALMER RECORDING DISTRICT -

**AMENDMENT TO THE DECLARATION
FOR
MONTE VISTA TOWNHOME CONDOMINIUMS
(Adding Phase IV, or 3 Additional Units)**

Carleson Homes and Development, Inc., Declarant of the Declaration for Monte Vista Townhome Condominiums, recorded March 23, 2005, in the records of the Palmer Recording District, Third Judicial District, State of Alaska, and identified by document identification number 2005-006660-0, pursuant to the Declarant's reservation of development rights under Article 6 of the Declaration to add Units and/or Common Elements, by this Amendment adds Phase IV, or three (3) additional Units, to the jurisdiction of the Monte Vista Townhome Condominium Association and this Declaration.

The Common Interest Community of Monte Vista Townhome Condominiums presently consists of eleven (11) Units: 1860 Monte Vista Drive, Unit A; 1860 Monte Vista Drive, Unit B; 1860 Monte Vista Drive, Unit C; 1860 Monte Vista Drive, Unit D; 1850 Monte Vista Drive, Unit A; 1850 Monte Vista Drive, Unit B; 1850 Monte Vista Drive, Unit C; 1850 Monte Vista Drive, Unit D; 1830 N. Monte Vista Drive, Unit D; 1830 N. Monte Vista Drive, Unit E; and 1830 N. Monte Vista Drive, Unit F.

Section 1. By this Amendment, Phase IV, or the following three (3) additional Units, are submitted to the jurisdiction of the Monte Vista Townhome Condominium Association and the Declaration: 1840 N. Monte Vista Drive, Unit A; 1840 N. Monte Vista Drive, Unit B; and 1840 N. Monte Vista Drive, Unit C, Monte Vista Townhome Condominiums.

Section 2. Unit Owners of the Phase IV Units may, but are not obligated to, erect a fence along the designated yard area behind (and to the west and east sides of Units A and C, respectively) their respective Units as reflected on the Plans attached to this Amendment. Such fences are subject to Board approval as set forth in Section 9.4 of the Declaration. Fences may not exceed five feet (5') in height. All costs associated with the fencing in of designated yard area behind the Units (and to the west and east sides of Units A and C, respectively) shall be the sole responsibility of the respective Unit Owners.

As reflected in Section 9.3 of the Declaration, care and maintenance of the area fenced, and of the fence itself, shall also be the responsibility of the respective Unit Owners.

The dimensions of the backyard area that may be fenced in for each Phase IV Unit are set forth on the Plans attached to this Amendment, and designated as the area behind the Units as "Unit A Yard," "Unit B Yard," and "Unit C Yard," are as follows:

1840 N. Monte Vista Drive, Unit A:

West side: Extending ten feet (10') from the west-side exterior wall of the Unit (and sixteen feet (16') and one inch (1") from the west-side exterior wall of the garage), extending from the front building boundary line and continuing fifty-two feet (52') and one inch (1") to the rear of the property (i.e., fifteen feet (15') from the rear exterior wall of Unit A), and

Rear: Extending fifteen feet (15') from the rear exterior wall of Unit A (and fifty-two feet (52') and one inch (1") from the front building boundary line), running ten feet (10') to the west of the Unit's boundary and extending easterly perpendicular to the Unit's boundary.

1840 N. Monte Vista Drive, Unit B:

Rear: Extending fifteen feet (15') from the rear exterior wall of Unit B, running east and west perpendicular to the Unit's boundaries.

1840 N. Monte Vista Drive, Unit C:

East side: Extending ten feet (10') from the east-side exterior wall of Unit C (and sixteen feet (16') and one inch (1") from the east-side exterior wall of the garage), extending from the front building boundary line and continuing fifty-two feet (52') and one inch (1") to the rear of the property (i.e., fifteen feet (15') from the rear exterior wall of Unit C); and

Rear: Extending fifteen feet (15') from the rear exterior wall of Unit C (and fifty-two feet (52') and one inch (1") from the front building boundary line), running ten feet (10') to the east of the Unit's boundary and extending westerly perpendicular to the Unit's boundary.



The above descriptions are intended to be consistent with the physical layout of the designated yard areas behind (and to the west and east sides of Units A and C, respectively) the Units as set forth in the attached Plans. All fences erected are to run in a straight line fifteen feet (15') from the rear exterior walls of the Units (and fifty-two feet (52') and one inch (1") from the front building boundary line) as shown on the Plans attached hereto.

Section 3. Pursuant to Article 7 of the Declaration, Revised Exhibit "C" (Table of Allocated Interests) is attached to this Amendment and hereby incorporated by reference.

Section 4. In accordance with AS 34.08.090(b), attached to and recorded with this amendment is a certificate of completion, executed by an independent registered land surveyor for Phase IV, containing: 1840 N. Monte Vista Drive, Unit A; 1840 N. Monte Vista Drive, Unit B; and 1840 N. Monte Vista Drive, Unit C, Monte Vista Townhome Condominiums.

Section 5. Pursuant to Article 16 of the Declaration, the attached Plans to be added to Exhibit "B" to the Declaration, are also attached to this Amendment and hereby incorporated by reference.

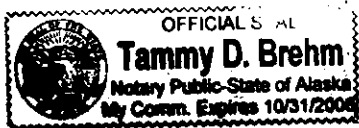
Section 6. Capitalized terms used herein without definition shall have the meaning ascribed to them in the Declaration.

Section 7. All provisions of the Declaration not expressly amended herein shall continue in full force and effect unless amendment must be implied for consistency with the amendments contained herein.

Section 8. If any term, covenant or condition of this Amendment is held to be invalid or unenforceable in any respect, such invalidity or unenforceability shall not affect any other provision hereof and this Amendment shall be construed as if such invalid or unenforceable provision had never been contained herein.

IN WITNESS WHEREOF, the Declarant has caused this Amendment to be executed this 13 day of October, 2008.

CARLESON HOMES AND DEVELOPMENT, INC.



By:

Robert D. Carleson
President



STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

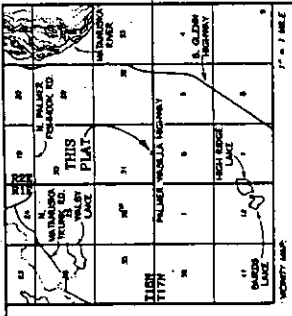
THIS IS TO CERTIFY that on this 13 day of October, 2008, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared ROBERT D. CARLESON, President of Carleson Homes and Development, Inc., known to me to be the individual named herein and the individual who executed the foregoing instrument, and he acknowledged the execution thereof to be his free and voluntary act and deed on behalf of the corporation for the uses and purposes therein set forth.

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



Tammy D. Brehm
Notary Public in and for Alaska
My Commission Expires: 10/31/08





NOTES:

- THIS TRACT IS SERVED BY ON WELLS AND SEPTIC SYSTEMS. SEE PLANS FOR DETAILS.
- SEE PLANS FOR DETAILS OF SEPTIC SYSTEM.
- SEE PLANS FOR DETAILS OF WELLS.

LEGEND:

- 1. EXISTING WELLS
- 2. EXISTING SEPTIC SYSTEMS
- 3. EXISTING UTILITY LINES
- 4. EXISTING DRIVEWAYS
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- 6. EXISTING CURBS
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NOTES:

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LEGEND:

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MONTE VISTA TOWNHOMES PHASE 4 DEVELOPMENT

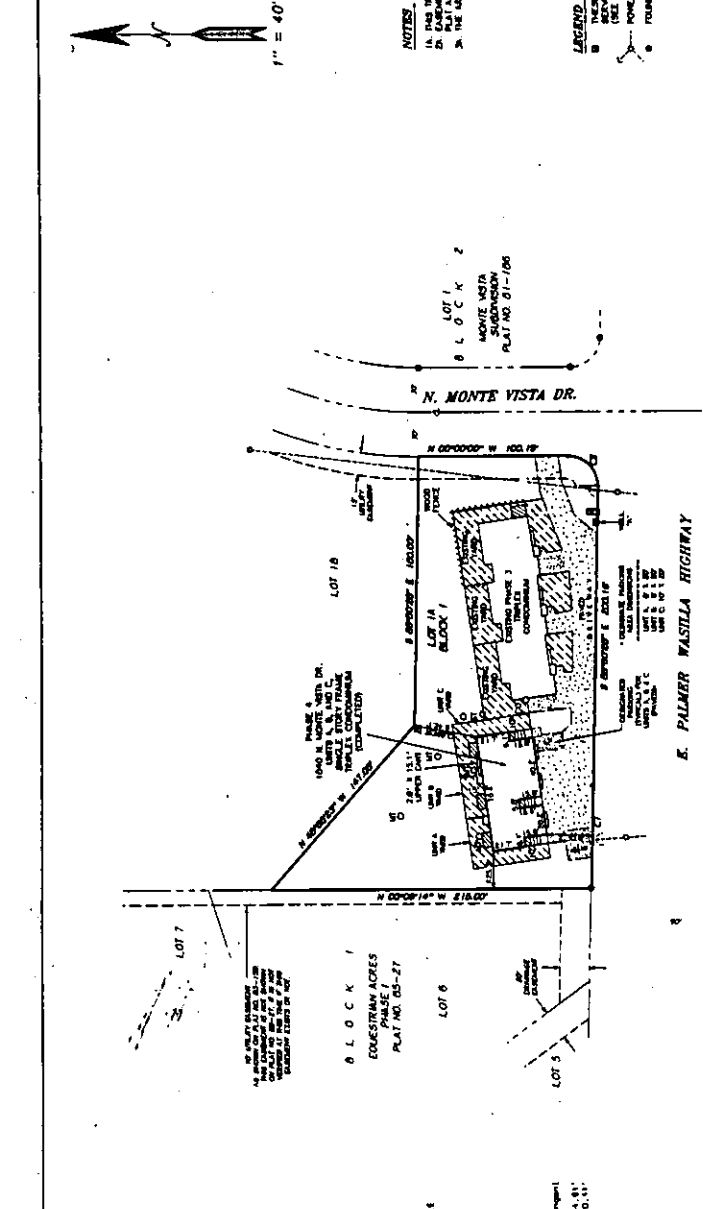
MONTE VISTA TOWNHOMES PHASE 4

LOCATED WITHIN LOT 1A, BLOCK 1, MONTE VISTA SUBDIVISION, PLAT NO. 03-159

SECTION 31, TOWNSHIP 18 NORTH, RANGE 2 EAST, MERIDIAN 14 WEST, PALMER, ALASKA 99645

DEVALI SPORSH

941 W. COLUMBIA, PALMER, ALASKA 99645
PHONE (907) 746-1110
DATE OCT 12, 2008



NOTES:

- THIS TRACT IS SERVED BY ON WELLS AND SEPTIC SYSTEMS. SEE PLANS FOR DETAILS.
- SEE PLANS FOR DETAILS OF SEPTIC SYSTEM.
- SEE PLANS FOR DETAILS OF WELLS.

LEGEND:

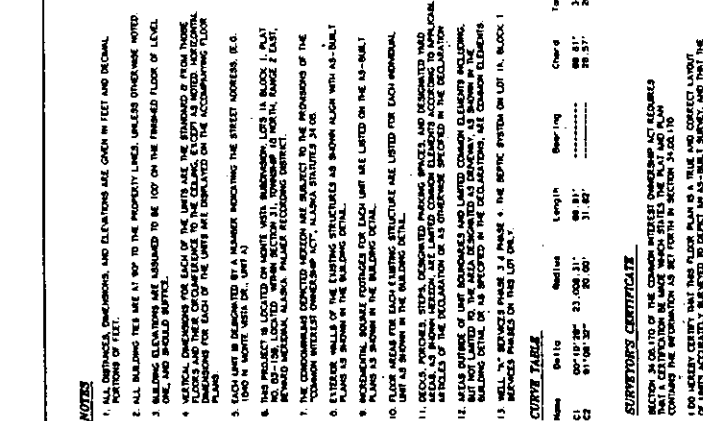
- 1. EXISTING WELLS
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MONTE VISTA TOWNHOMES PHASE 4

1840 N. MONTE VISTA DRIVE

UNITS A, B, AND C

1" = 20'



NOTARY ACKNOWLEDGEMENT

SUBSCRIBED AND SWORN to before me this 12th day of October, 2008, at Palmer, Alaska.

Devali Sporph
NOTARY PUBLIC

CERTIFICATE OF COMPLETION

SECTION 34.030 OF THE COMMON INTEREST OWNERSHIP ACT PROVIDES THAT A DECLARATION FOR A COMMONS MAY NOT BE RECORDED AND A DECLARATION FOR A COMMONS MAY NOT BE RECORDED UNLESS A CERTIFICATE OF COMPLETION IS RECORDED WITH THE DECLARATION AS PROVIDED THAT THE STRUCTURAL COMPONENTS OF THE COMMONS ARE COMPLETE SUBSTANTIALLY IN ACCORDANCE WITH THE PLANS AND PLANS WERE PROVIDED FOR THE MECHANICAL STRUCTURE.

THIS IS TO CERTIFY THAT I, DEVALI SPORSH, AS A PROFESSIONAL ENGINEER, HAVE REVIEWED THE PLANS AND PLANS WERE PROVIDED FOR THE MECHANICAL STRUCTURE AND HAVE BEEN COMPLETED SUBSTANTIALLY AS SHOWN ON THE PLANS FILED WITH THE ALASKA DEPARTMENT OF REVENUE.

Devali Sporph
REGISTERED PROFESSIONAL ENGINEER
941 W. COLUMBIA AVE.
PALMER, ALASKA 99645

REVISED EXHIBIT C

TABLE OF ALLOCATED INTERESTS

<u>Unit No.</u>	<u>Percentage Interest</u>	<u>Votes in Association</u>
1860 Monte Vista Drive, Unit A	7.14%	1
1860 Monte Vista Drive, Unit B	7.14%	1
1860 Monte Vista Drive, Unit C	7.14%	1
1860 Monte Vista Drive, Unit D	7.14%	1
1850 Monte Vista Drive, Unit A	7.14%	1
1850 Monte Vista Drive, Unit B	7.14%	1
1850 Monte Vista Drive, Unit C	7.14%	1
1850 Monte Vista Drive, Unit D	7.14%	1
1830 N. Monte Vista Drive, Unit D	7.14%	1
1830 N. Monte Vista Drive, Unit E	7.14%	1
1830 N. Monte Vista Drive, Unit F	7.14%	1
1840 N. Monte Vista Drive, Unit A	7.14%	1
1840 N. Monte Vista Drive, Unit B	7.14%	1
1840 N. Monte Vista Drive, Unit C	7.14%	1
TOTAL:	100.00%	14

Return To.

John H. Tindall, Esq.
Tindall Bennett & Shoup
508 W. Second Avenue, Third Floor
Anchorage, Alaska 99501



6 of 6
2008-022850-0

**- PALMER RECORDING DISTRICT -****AMENDMENT TO THE DECLARATION
FOR
MONTE VISTA TOWNHOME CONDOMINIUMS
(Adding Phase IV, or 3 Additional Units)**

Carleson Homes and Development, Inc., Declarant of the Declaration for Monte Vista Townhome Condominiums, recorded March 23, 2005, in the records of the Palmer Recording District, Third Judicial District, State of Alaska, and identified by document identification number 2005-006660-0, pursuant to the Declarant's reservation of development rights under Article 6 of the Declaration to add Units and/or Common Elements, by this Amendment adds Phase IV, or three (3) additional Units, to the jurisdiction of the Monte Vista Townhome Condominium Association and this Declaration.

The Common Interest Community of Monte Vista Townhome Condominiums presently consists of eleven (11) Units: 1860 Monte Vista Drive, Unit A; 1860 Monte Vista Drive, Unit B; 1860 Monte Vista Drive, Unit C; 1860 Monte Vista Drive, Unit D; 1850 Monte Vista Drive, Unit A; 1850 Monte Vista Drive, Unit B; 1850 Monte Vista Drive, Unit C; 1850 Monte Vista Drive, Unit D; 1830 N. Monte Vista Drive, Unit D; 1830 N. Monte Vista Drive, Unit E; and 1830 N. Monte Vista Drive, Unit F.

Section 1. By this Amendment, Phase IV, or the following three (3) additional Units, are submitted to the jurisdiction of the Monte Vista Townhome Condominium Association and the Declaration: 1840 N. Monte Vista Drive, Unit A; 1840 N. Monte Vista Drive, Unit B; and 1840 N. Monte Vista Drive, Unit C, Monte Vista Townhome Condominiums.

Section 2. Unit Owners of the Phase IV Units may, but are not obligated to, erect a fence along the designated yard area behind (and to the west and east sides of Units A and C, respectively) their respective Units as reflected on the Plans attached to this Amendment. Such fences are subject to Board approval as set forth in Section 9.4 of the Declaration. Fences may not exceed five feet (5') in height. All costs associated with the fencing in of designated yard area behind the Units (and to the west and east sides of Units A and C, respectively) shall be the sole responsibility of the respective Unit Owners.

As reflected in Section 9.3 of the Declaration, care and maintenance of the area fenced, and of the fence itself, shall also be the responsibility of the respective Unit Owners.

The dimensions of the backyard area that may be fenced in for each Phase IV Unit are set forth on the Plans attached to this Amendment, and designated as the area behind the Units as "Unit A Yard," "Unit B Yard," and "Unit C Yard," are as follows:

1840 N. Monte Vista Drive, Unit A:

West side: Extending ten feet (10') from the west-side exterior wall of the Unit (and sixteen feet (16') and one inch (1") from the west-side exterior wall of the garage), extending from the front building boundary line and continuing fifty-two feet (52') and one inch (1") to the rear of the property (i.e., fifteen feet (15') from the rear exterior wall of Unit A); and

Rear: Extending fifteen feet (15') from the rear exterior wall of Unit A (and fifty-two feet (52') and one inch (1") from the front building boundary line), running ten feet (10') to the west of the Unit's boundary and extending easterly perpendicular to the Unit's boundary.

1840 N. Monte Vista Drive, Unit B:

Rear: Extending fifteen feet (15') from the rear exterior wall of Unit B, running east and west perpendicular to the Unit's boundaries.

1840 N. Monte Vista Drive, Unit C:

East side: Extending ten feet (10') from the east-side exterior wall of Unit C (and sixteen feet (16') and one inch (1") from the east-side exterior wall of the garage), extending from the front building boundary line and continuing fifty-two feet (52') and one inch (1") to the rear of the property (i.e., fifteen feet (15') from the rear exterior wall of Unit C); and

Rear: Extending fifteen feet (15') from the rear exterior wall of Unit C (and fifty-two feet (52') and one inch (1") from the front building boundary line), running ten feet (10') to the east of the Unit's boundary and extending westerly perpendicular to the Unit's boundary.



The above descriptions are intended to be consistent with the physical layout of the designated yard areas behind (and to the west and east sides of Units A and C, respectively) the Units as set forth in the attached Plans. All fences erected are to run in a straight line fifteen feet (15') from the rear exterior walls of the Units (and fifty-two feet (52') and one inch (1") from the front building boundary line) as shown on the Plans attached hereto.

Section 3. Pursuant to Article 7 of the Declaration, Revised Exhibit "C" (Table of Allocated Interests) is attached to this Amendment and hereby incorporated by reference.

Section 4. In accordance with AS 34.08.090(b), attached to and recorded with this amendment is a certificate of completion, executed by an independent registered land surveyor for Phase IV, containing: 1840 N. Monte Vista Drive, Unit A; 1840 N. Monte Vista Drive, Unit B; and 1840 N. Monte Vista Drive, Unit C, Monte Vista Townhome Condominiums.

Section 5. Pursuant to Article 16 of the Declaration, the attached Plans to be added to Exhibit "B" to the Declaration, are also attached to this Amendment and hereby incorporated by reference.

Section 6. Capitalized terms used herein without definition shall have the meaning ascribed to them in the Declaration.

Section 7. All provisions of the Declaration not expressly amended herein shall continue in full force and effect unless amendment must be implied for consistency with the amendments contained herein.

Section 8. If any term, covenant or condition of this Amendment is held to be invalid or unenforceable in any respect, such invalidity or unenforceability shall not affect any other provision hereof and this Amendment shall be construed as if such invalid or unenforceable provision had never been contained herein.

IN WITNESS WHEREOF, the Declarant has caused this Amendment to be executed this 15 day of October, 2008.

CARLESON HOMES AND DEVELOPMENT, INC.



By:



Robert D. Carleson
President



STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

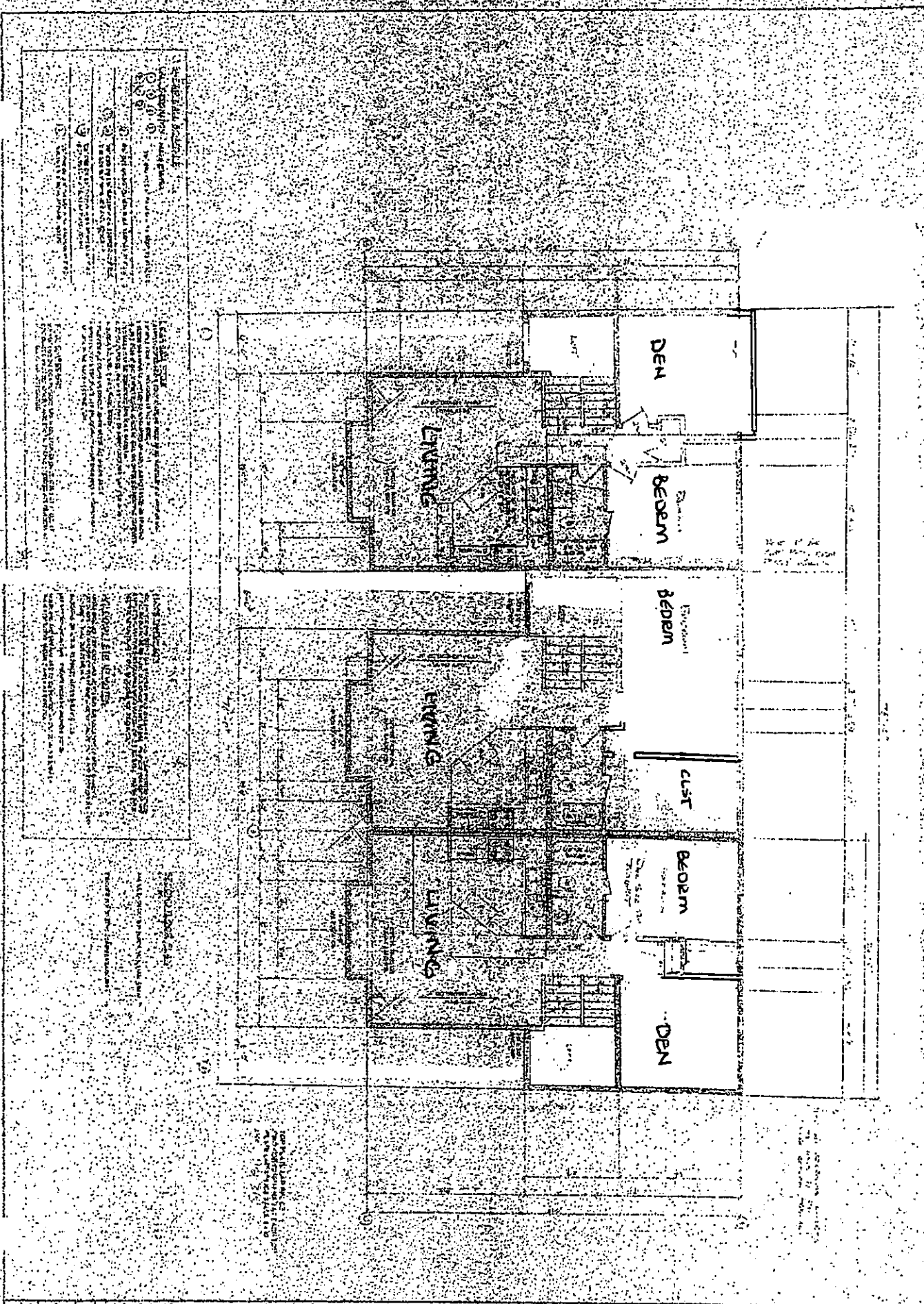
THIS IS TO CERTIFY that on this 15 day of October, 2008, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared ROBERT D. CARLESON, President of Carleson Homes and Development, Inc., known to me to be the individual named herein and the individual who executed the foregoing instrument, and he acknowledged the execution thereof to be his free and voluntary act and deed on behalf of the corporation for the uses and purposes therein set forth.

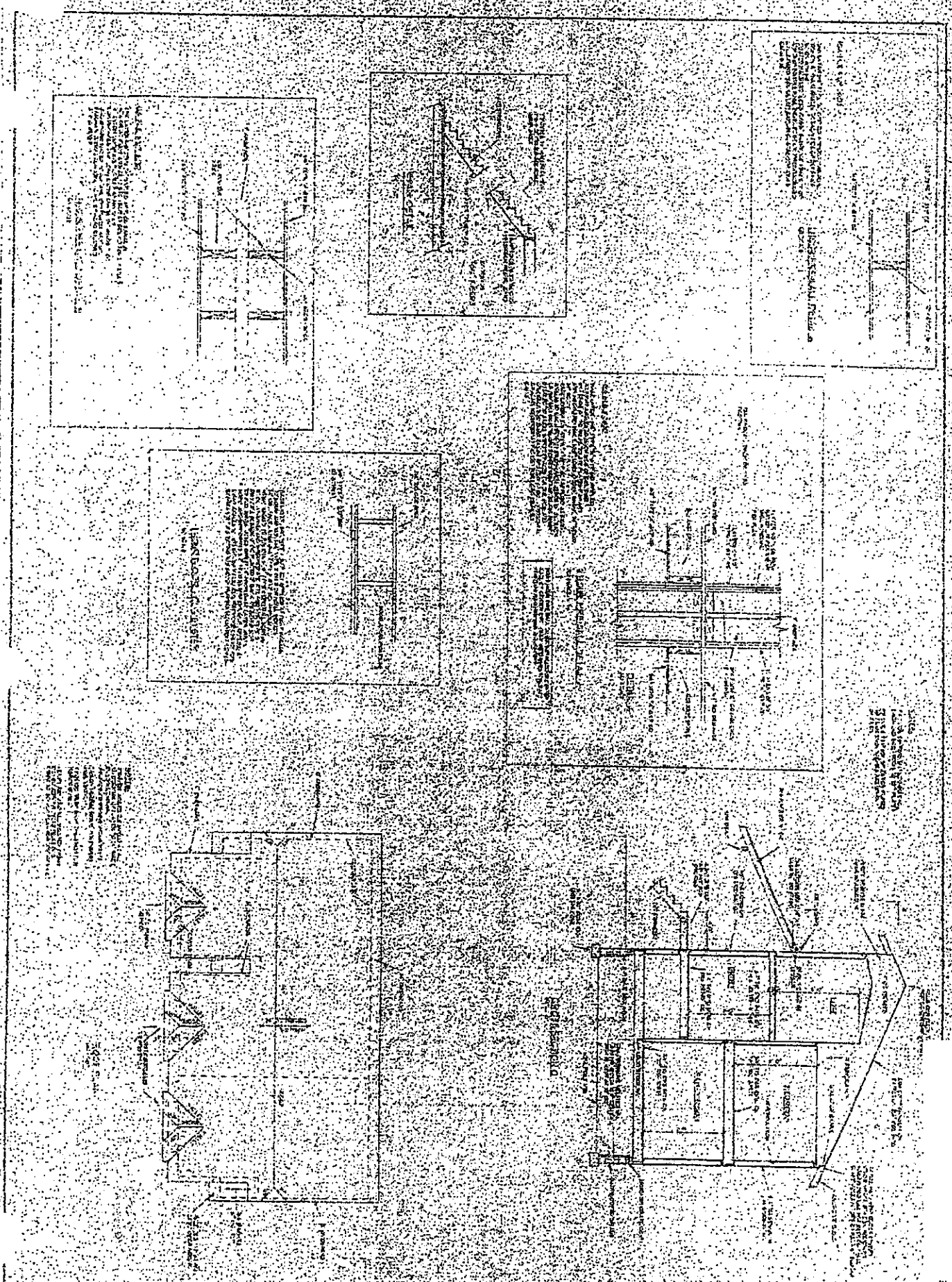
WITNESS my hand and notarial seal the day and year first hereinabove written.



Tammy D. Brehm
Notary Public in and for Alaska
My Commission Expires: 10/31/2008







REVISED EXHIBIT C

TABLE OF ALLOCATED INTERESTS

<u>Unit No.</u>	<u>Percentage Interest</u>	<u>Votes in Association</u>
1860 Monte Vista Drive, Unit A	7.14%	1
1860 Monte Vista Drive, Unit B	7.14%	1
1860 Monte Vista Drive, Unit C	7.14%	1
1860 Monte Vista Drive, Unit D	7.14%	1
1850 Monte Vista Drive, Unit A	7.14%	1
1850 Monte Vista Drive, Unit B	7.14%	1
1850 Monte Vista Drive, Unit C	7.14%	1
1850 Monte Vista Drive, Unit D	7.14%	1
1830 N. Monte Vista Drive, Unit D	7.14%	1
1830 N. Monte Vista Drive, Unit E	7.14%	1
1830 N. Monte Vista Drive, Unit F	7.14%	1
1840 N. Monte Vista Drive, Unit A	7.14%	1
1840 N. Monte Vista Drive, Unit B	7.14%	1
1840 N. Monte Vista Drive, Unit C	7.14%	1
TOTAL:	100.00%	14

Return To:

John H. Tindall, Esq.
Tindall Bennett & Shoup
508 W. Second Avenue, Third Floor
Anchorage, Alaska 99501

