

State of Alaska
Department of Commerce, Community, and
Economic Development
Corporations, Business and Professional Licensing

**CERTIFICATE
OF
INCORPORATION
Nonprofit Corporation**

THE UNDERSIGNED, as Commissioner of Commerce, Community, and Economic Development of the State of Alaska, hereby certifies that Articles of Incorporation duly signed and verified pursuant to the provisions of Alaska Statutes has been received in this office and have been found to conform to law.

ACCORDINGLY, the undersigned, as Commissioner of Commerce, Community and Economic Development, and by virtue of the authority vested in me by law, hereby issues this certificate to

Harmony Condominiums Owners Association, Inc.

and attaches hereto the original copy of the Articles of Incorporation for such certificate.



IN TESTIMONY WHEREOF, I execute this certificate and affix the Great Seal of the State of Alaska on **December 6, 2006.**

A handwritten signature in dark ink, appearing to read "William C. Noll".

William C. Noll
Commissioner

ARTICLES OF INCORPORATION

HARMONY CONDOMINIUMS
OWNERS ASSOCIATION, INC.

(A NONPROFIT CORPORATION)

We, the undersigned natural persons of the age of nineteen years or more, acting as incorporators of a corporation under the Alaska Nonprofit Corporation Act for the Corporation:

ARTICLE I

The name of this corporation ("Association" herein) is HARMONY CONDOMINIUMS OWNERS ASSOCIATION, INC.

ARTICLE II

The purposes for which the corporation is formed are as follows:

(a) To operate the Common Interest Community known as Harmony Condominiums, located in the Municipality of Anchorage, Alaska, in accordance with the requirements for an Association of Unit Owners charged with the administration of Property under the Alaska Common Interest Ownership Act of the Statutes of the State of Alaska as amended, including, without limiting the generality of the foregoing, the performance of the following acts and services on a not-for-profit basis:

(i) The acquisition, construction, management, supervision, care, operation, maintenance and renewal of all buildings, structures, grounds, roadways and other facilities and installations and appurtenances thereto relating to the Property of the Common Interest Community; to provide maintenance for the Common Elements within the Common Interest Community; to provide garbage and trash collection; to maintain lands or trees; to supplement municipal services; to enforce any and all covenants, restrictions and agreements applicable to the Common Interest Community; and, insofar as permitted by law, to do any other thing that, in the opinion of the Executive Board, will promote the common benefit and enjoyment of the residents of the Common Interest Community.

(ii) The preparation of estimates and budgets of the costs and expenses of rendering such services and performing, or contracting or entering into agreements for such performance, as provided for in or contemplated by this subparagraph (ii), and the apportionment of such estimated costs and expenses among and the collection thereof from the Unit Owners obligated to assume or bear the same, and the borrowing of money for its purposes, pledging as security the income due from Unit Owners and from others and property of the corporation and the Common Elements of the Common Interest Community.

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(iii) Enforcing on behalf of said Unit Owners, such Rules as may be made or promulgated by the Executive Board with respect to the safe occupancy, reasonable use and enjoyment of the buildings, structures, and grounds and facilities of the Common Interest Community, and to enforce compliance therewith including the levy of fines.

(iv) Performing, or causing to be performed, all such other and additional services and acts as are usually performed by managers or managing agents of real estate developments, including without limitation, keeping or causing to be kept, appropriate books and records, preparing and filing necessary reports and returns, and making or causing to be made audits of books and accounts.

(b) To retain counsel, auditors, accountants, appraisers and other persons or services that may be necessary for or incidental to any of the activities herein described.

(c) To do and perform or cause to be performed all such other acts and services that may be necessary, suitable or incidental to any of the foregoing purposes and objects to the fullest extent permitted by law and to acquire, sell, mortgage, lease or encumber any real or personal property for the purposes aforesaid.

(d) To promote the health and welfare, and common benefit of the residents of the Common Interest Community.

(e) To do any and all acts and things permitted to be done by, and to have and to exercise any and all powers, rights and privileges which are granted to a Common Interest Community Association under the Uniform Common Interest Ownership Act, the Declaration, the Bylaws, and to a nonprofit corporation under the laws of the State of Alaska.

The foregoing statements or purpose shall be construed as a statement both of purposes and of powers, and purposes and powers in each clause shall not be limited or restricted by reference to or inference from the terms or provisions of any other clause, but shall be broadly construed as independent purposes and powers, the Association shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purposes of the Association.

ARTICLE III

The duration of the Association shall be perpetual.

ARTICLE IV

The Association shall be a nonprofit corporation, without shares of stock.

ARTICLE V

The authorized number and qualifications of members of the Association, the different classes of membership, if any, the property, voting and other rights and privileges of members, and their liability to dues and assessments and the method of collection thereof, shall be as set forth in the Bylaws and Declarations.

ARTICLE VI

The initial registered office of the corporation shall be with Real Estate Unlimited, LLC, located at 12001 Industry Way, Suite B1, Anchorage, Alaska 99515.

ARTICLE VII

The initial registered agent of the corporation shall be Michael Bashford, 12001 Industry Way, Suite B1, Anchorage, Alaska 99515.

ARTICLE VIII

The initial Board of Directors shall consist of three persons, and said number may be changed by a duly adopted amendment to the Bylaws, except that in no event may the number of Directors be less than three. The names and addresses of the persons who shall serve as Directors until their successors shall be elected and qualified are as follows:

Robert C. Petersen
3820 Lake Otis Parkway, #204
Anchorage, Alaska 99508

Janet E. Petersen
3820 Lake Otis Parkway, #204
Anchorage, Alaska 99508

Michael Backus
3820 Lake Otis Parkway, #204
Anchorage, Alaska 99508

ARTICLE IX

The names and addresses of the incorporators are as follows:

Robert C. Petersen
3820 Lake Otis Parkway, #204
Anchorage, Alaska 99508

Janet E. Petersen
3820 Lake Otis Parkway, #204
Anchorage, Alaska 99508

Michael Backus
3820 Lake Otis Parkway, #204
Anchorage, Alaska 99508

ARTICLE X

Amendment of these Articles shall require the assent of at least seventy-five percent (75%) of the Owners of all Units in the project as shown in the Declarations.

ARTICLE XI

The class, rights and qualifications and the manner of election or appointment of members are as follows: Any person who holds title to a Unit in the Common Interest Community shall be a member of the corporation. There shall be one membership for each Unit owned within the Common Interest Community. Such membership shall be automatically transferred upon the conveyance of such Unit. Voting shall be one vote per unit and the vote to which each membership is entitled is the vote assigned to its Unit in the Declaration of the Common Interest Community. If a Unit is owned by more than one person, such persons shall agree among themselves how a vote for such Unit's membership is to be cast. Individual co-owners may not cast fractional votes. A vote by a co-owner for the entire Unit's membership interest shall be deemed to be pursuant to a valid proxy, unless another co-owner of the same Unit objects at the time the vote is cast, in which case such membership's vote shall not be counted.

The members shall be of one class: Unit Owners who shall own such Units as defined in the Declaration. These Unit Owners shall elect all members of the Executive Board, following the period of Declarant control defined below.

Notwithstanding the foregoing, the Declarant of the Common Interest Community shall have such additional rights and qualifications as may be provided under the Common Interest Ownership Act and the Declaration, including the right to appoint members of the Executive Board as follows: The Declaration provides that during the period of Declarant control the Declarant, or persons designated by him, subject to certain limitations contained in the Declaration, may appoint and remove the officers and members of the Executive Board. The period of Declarant control terminates no later than the earlier of: (1) 60 days after conveyance of seventy-five percent (75%) of the Units that may be created to Unit Owners other than a Declarant; (2) two years after all Declarants have ceased to offer Units for sale in the ordinary course of business; (3) two years after any right to add new Units was last exercised; or (4) five (5) years after the first Unit is conveyed to a Unit Owner other than the Declarant. A Declarant may voluntarily surrender the right to appoint and remove officers and Directors of the Executive Board before termination of that period, but in that event the Declarant requires, 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.


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 33-1/3 percent of the members of the Executive Board must be elected by Unit Owners other than the Declarant.

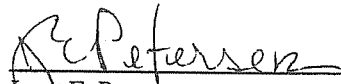
Except as otherwise provided above, not later than the termination of any period of Declarant control, the Unit Owners shall elect an Executive Board of at least three (3) members, at least a majority of whom shall be Unit Owners. The Executive Board shall elect the officers. The Executive Board members and officers shall take office upon election.

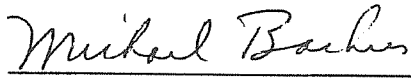
Notwithstanding any provision of the Declaration or Bylaws to the contrary, following notice under Section 34.08.390 the Unit Owners, by a two-thirds (2/3) vote of all persons present and entitled to vote at any meeting of the Unit Owners at which a quorum is present, may remove any member of the Executive Board with or without cause, other than a member appointed by the Declarant.

Holders of Security Interests in the Units may have or be granted certain rights of approval or disapproval of certain actions of the corporation or its members.

IN WITNESS WHEREOF, the undersigned incorporators have hereunto set their hands and seals this 5th day of December, 2006.


Robert C. Petersen


Janet E. Petersen


Michael Backus

STATE OF ALASKA

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ss.

THIRD JUDICIAL DISTRICT

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THIS IS TO CERTIFY that on this 5th day of December, 2006 before me, the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn as such, personally appeared **ROBERT C. PETERSEN, JANET E. PETERSEN, AND MICHAEL BACKUS**, known to me and to me known to be the persons named in and who executed the within and foregoing instrument and they each acknowledged to me that they signed the same freely and voluntarily for the uses and purposes therein mentioned.

WITNESS MY HAND AND NOTARIAL SEAL at Anchorage, Alaska, on this 5th day of December, 2006.


Notary Public in and for Alaska
My commission expires: 9.1.2010

