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Charlie Tulik
272-9546

BY - LAWS
ASSOCIATION OF CONDOMINIUM OWNERS
OF
VISTA TERRACE CONDOMINIUMS

ARTICLE I

CONDOMINIUM OWNERSHIP

Section 1. Creation. The project known as the VISTA TERRACE CONDOMINIUMS, a condominium, consisting of that certain parcel of land and all improvements situated thereon, situated in the Anchorage Recording District, Third Judicial District, State of Alaska, and more particularly described on Exhibit "A" attached hereto and made a part hereof.

Section 2. Applicability of By-Laws. The provisions of these by-laws are applicable to the project. All present and future owners, tenants and occupants of any units of the project, any other person who at any time shall use any part of the project are subject to these by-laws. The mere acquisition, lease, rental or occupancy of any of the units of the project shall signify that these by-laws are accepted and ratified and shall be complied with.

The Association of Condominium Owners shall adopt by-laws for the administration of the property and for other purposes not inconsistent with the Horizontal Property Regimes Act of the State of Alaska, which said by-laws shall be adopted within not more than 120 days after completion of transfer to purchasers of title to units representing more than 51% of the votes of all unit owners, and the adoption thereof shall require the affirmative majority vote of all unit owners as of the time of their adoption.

ARTICLE II

ASSOCIATION OF CONDOMINIUM OWNERS

Section 1. Membership. All owners of units of the project shall constitute the Association of Condominium Owners, herein called the Association. The owner of any unit

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upon acquiring title thereto shall automatically become a member of the Association and shall remain a member thereof until such time as his ownership of such unit ceases for any reason; provided, however, that to such extent and for such purposes, including the exercise of voting rights, as shall be provided by agreement of sale or by lease of any condominium unit filed with the Board of Directors of the Association, the purchaser or the lessee of such unit shall be deemed to be the owner thereof.

Section 2. Responsibilities. The Association shall have the responsibility of administering the project, approving the annual budget, establishing and collecting all assessments for common expenses and arranging for the direct management and operation of the project by a Managing Agent, if any, in accordance with the Declaration and these by-laws. Except as otherwise provided herein or in the Declaration (specifically with reference to the rights of holders of first mortgages on units within or any portion of the project) or said Horizontal Property Regimes Act all acts, decisions and resolutions of the Association shall require authorization by a majority of unit owners.

Section 3. Place of Meeting. Meetings of the Association shall be held at the principal office of the project or such other suitable place convenient to the unit owners as may be designated by the Board of Directors.

Section 4. Annual Meetings. The first annual meeting of the Association shall be held within not more than 120 days after completion of transfer to purchasers or title to units representing more than 51% of the votes of all unit owners, and upon call of the developer of the project. Thereafter, the annual meeting of the Association shall be held within three months after the end of each accounting year of the project. At such meetings the unit owners shall elect by ballot a Board of Directors in accordance with the provisions of Section 3 of Article III of these by-laws and may also transact such other business of the Association as may properly come before them.

Section 5. Special Meeting. Special meetings of the Association may be held at any time upon the call of the President or a petition signed by unit owners having at least 25% of the total vote and presented to the Secretary.

Section 6. Notice of Meeting. The Secretary shall at least ten (10) days before the date set for each annual and special meeting give written or printed notice thereof to every unit owner according to the Association's record of ownership stating whether it is an annual or special meeting, and the authority for the call thereof, the place, day and hour of such meeting and the purpose therefor, in any of the following ways: (a) by leaving the same with him personally, or (b) by leaving the same at his residence or usual place of business, or (c) by mailing it, postage prepaid, addressed to him at his address as it appears on the record of ownership of the Association. If notice has been given pursuant to the provisions of this section, the failure of any unit owner to receive actual notice of such meeting shall in no way invalidate the meeting or any proceedings thereat. The presence of any unit owner in person or by proxy at any meeting shall be deemed a waiver of any required notice as to such owner unless such unit owner shall at the opening thereof object to the holding of such meeting for non-compliance with the provisions of this section.

Section 7. Quorum. The presence at any meeting in person or by proxy of a majority of unit owners as herein defined shall constitute a quorum. The term "majority of unit owners" shall mean the owners of units to which are appurtenant more than 50% of the common interests as established by the Declaration. The acts of a majority of the quorum present at any meeting shall be binding upon the Association except as otherwise provided herein, in the Declaration or the Horizontal Property Regimes Act.

Section 8. Voting. Voting shall be on a percentage basis, and the percentage of the total vote to which the owner of any unit is entitled shall be the percentage assigned to such unit in the Declaration. Any specified percentage of the unit owners means the owners of units to which are appurtenant such percentage of the common interests as established by the Declaration. An executor, administrator, guardian or trustee may vote in person or by proxy at any meeting of the Association the percentage of vote for any unit owned or controlled by him in such capacity, whether or not the same shall have been transferred to his name in the Association's record of ownership, provided that he shall first present evidence satisfactory to the Secretary that he owns or controls

such unit in such capacity. The vote for any unit owned of record by two or more persons may be exercised by any one of them present at any meeting in the absence of protest by the other or others, and, in case of protest, each co-tenant shall be entitled to only a proportionate vote in proportion to his share of ownership of the unit.

Section 9. Proxies and Pledges. Votes may be cast in person or by proxy by the respective unit owners as shown by the record of ownership of the Association. The authority given by any unit owner to another person to represent him at meetings of the Association shall be in writing, signed by such owner and filed with the Secretary, and unless limited by its terms shall continue until revoked by writing filed with the Secretary or by the death or incapacity of such owner. Voting rights transferred or pledged by mortgage, deed of trust or agreement of sale of any unit or interest therein, a true copy of which is filed with the Board of Directors through the Secretary, shall be exercised only by the person designated in such instrument until the written release or other termination thereof is filed with the said Board of Directors in like manner.

Section 10. Adjournment. Any meeting of the Association may be adjourned from time to time as may be determined by majority vote of the unit owners present, whether or not a quorum be present, without notice other than the announcement at such meeting. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted by a quorum at the meeting as originally called.

Section 11. Order of Business. The order of business at all meetings of the Association shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceeding meeting.
- (d) Report of officers.
- (e) Report of committees.
- (f) Election of directors.

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- (g) Unfinished business.
- (h) New business.

ARTICLE III

BOARD OF DIRECTORS

Section 1. Number and Qualifications. The affairs of the Association shall be governed by a Board of Directors composed of four (4) persons, each of whom shall be the sole owner or co-owner of record of a unit. If a corporation is a unit owner, any officer of such corporation shall be eligible to serve as director so long as he remains an officer of such corporation. The directors shall serve without compensation.

Section 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things therefore as are not by law, by the Declaration, or by these by-laws directed to be exercised and done only by the unit owners. In addition to the powers and duties conferred by these by-laws, the Declaration or resolutions of the Association, the Board shall be responsible for the following:

- (a) Management and operation of the project and maintenance, repair and rebuilding of the common elements thereof;
- (b) Establishment and collection of monthly assessments against the apartment owners for common expenses, and including premiums for liability and hazard insurance, and assessment charges for an adequate reserve fund based upon maintenance cost projections;
- (c) Appointment and dismissal of any personnel necessary for such operation and maintenance functions.

Section 3. Election and Term. Election of directors shall be by cumulative voting in any election in which more than one director is to be elected. The directors, except as otherwise in these by-laws provided, shall hold office for a period of four (4) years and until their respective successors shall have been elected, except that at the first election of directors, one-fourth of the directors shall be elected for one year, one-fourth for two years, one-fourth for three years, and one-fourth for four years.

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Section 4. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a director by the Association shall be filled by vote of a majority of the remaining directors, even though they may constitute less than a quorum, and each person so elected shall be a director until his successor is elected at the next annual meeting of the Association. Death, incapacity or resignation of any director, or his continuous absence from the State of Alaska for more than six months or his ceasing to be the sole owner or co-owner of a unit shall cause his office to become vacant.

Section 5. Removal of Directors. At any regular meeting or special meeting of the Association duly called, any one or more of the directors may be removed with or without cause by vote of a majority of unit owners and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the unit owners shall be given an opportunity to be heard at such meeting.

Section 6. Annual Meetings. An annual meeting of the Board of Directors shall be held at the place of and immediately following each annual meeting of the Association, and no notice shall be necessary to any director in order to validly constitute such meeting provided that a majority of the whole Board shall be present. At such meeting, the Board shall elect the officers of the Association for the ensuing year.

Section 7. Regular Meeting. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least one such meeting shall be held during each calendar quarter of every year. Notice of regular meetings of the Board shall be given to each director, personally or by mail, telephone or telegraph, at least three days prior to the date of such meeting.

Section 8. Special Meetings. Special meetings of the Board of Directors may be called by the President on at least eight hours notice to each director, given personally or by telephone or telegraph, which notice shall state the time, place and purpose of such meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and with like notice on the written request of at least two directors.

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Section 9. Waiver of Notice. Before or at any meeting of the Board of Directors any director may in writing waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice to him of such meeting. If all the directors are present at any meeting of the Board, no notice thereof shall be required, and any business may be transacted at such meeting.

Section 10. Board of Directors' Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 11. Fidelity Bonds. The Board of Directors shall require that all officers, employees, and agents of the Association handling or responsible for its funds shall furnish adequate fidelity bonds. The premium on such bonds shall be paid by the Association.

ARTICLE IV

OFFICERS

Section 1. Designation. The principle officers of the Association shall be a President, a Vice-President and Secretary/Treasurer, all of whom shall be elected by, and in the case of the President, from the Board of Directors. The Board may appoint an assistant treasurer, an assistant secretary, and such other officers as in its judgment may be necessary.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at its annual meeting and shall hold office at the pleasure of the Board.

Section 3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors any officer may be removed, either with or without cause, and his successors elected at any regular meeting of the Board or any special meeting called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Association and of the Board of Directors. Subject to the control of the Board he shall exercise general supervision and direction over the management and conduct of the business and affairs of the Association. He shall also have such other powers and duties as may be provided by these by-laws or assigned to him from time to time by the Board.

Section 5. Vice-President. The Vice-President shall assume and perform the duties of the President in the absence or disability of the President or whenever the office of the President is vacant. He shall also have such other powers and duties as may be assigned to him from time to time by the Board.

Section 6. Secretary. The Secretary shall attend and keep the minutes of all meetings of the Association and of the Board of Directors, give all notices thereof as provided by these by-laws, maintain and keep a continuous and accurate record of ownership of all units, have charge of such books, documents and records of the Association as the Board may direct, and in general perform all the duties incident to the office of the Secretary.

Section 7. Treasurer. The Treasurer shall have responsibility for all funds and securities of the Association, maintain and keep full and accurate accounts of all receipts and disbursements of the Association and render statements thereof in such form and as often as may be required by the Board of Directors, and be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may from time to time be designated by the Board.

Section 8. Auditor. The Association shall appoint annually a public accountant or accounting firm as auditor, who shall not be an officer of the Association nor own any interest in any unit, to audit the books and financial records of the Association as required by law or directed additionally by the Board of Directors.

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MILWAUKEE, WISCONSIN 53102
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Section 9. Execution of Instruments. All checks, drafts, notes, acceptances, conveyances, contracts and other instruments shall be signed on behalf of the Association by such person or persons as shall be provided by general or special resolution of the Board of Directors or, in the absence of such resolution applicable to such instrument, by the President or Vice-President and by the Secretary/Treasurer.

ARTICLE V

ADMINISTRATION

Section 1. Management. The Board of Directors shall at all times manage and control the project, and shall exercise such powers and perform such duties and services as may be necessary or proper therefor including, but not limited to, the following:

- (a) Direct management and operation of the project;
- (b) Maintenance, repair and rebuilding of the common elements;
- (c) Purchase, maintenance and replacement of any equipment and provision of all water and utility services required for the common elements;
- (d) Employment, supervision and dismissal of such personnel as may be necessary for the maintenance and operation of the project;
- (e) Preparation at least thirty (30) days before each fiscal year of a proposed budget and schedule of assessments for such year;
- (f) Collection of all installments of assessments authorized and levied by the Board for common expenses and payment of all common expenses authorized by the Board;
- (g) Purchase and maintain in effect at all times all policies of fire and other hazard and liability insurance with respect to the project required by the Declaration and such other insurance and bonds as may be provided by the Declaration or authorized by the Board.

(h) Custody of all funds of the Association, maintenance of full and accurate books of account and records of said funds, and preparation of regular financial reports thereof; and

(i) Notification of all persons having any interest in any unit, as shown in the Association's record of ownership, of delinquency exceeding thirty (30) days in the payment of any assessments against such unit.

Section 2. Managing Agent. The Board of Directors may employ either a responsible Alaska corporation as managing agent, or a resident manager, or both, to manage and control the project at such compensation and with such administrative powers and duties as the board may establish and delegate, subject to prior approval of every such employment contract by a majority of the total votes of the unit owners.

Any agreement for professional management for the project, or any other contract providing for services, must provide for termination on thirty (30) days written notice and a maximum contract term of one year.

Any decision by the Association to terminate professional management and assume self-management of the project is subject to the provisions of the Declaration with reference to the rights of holders of first mortgages on units within or any portion of the project.

Section 3. Representation. The President or managing agent subject to the direction of the Board of Directors, shall represent the Association or any two or more unit owners similarly situated as a class in any action, suit, hearing or other proceeding concerning the Association, the common elements or more than one unit and on its or their behalf may institute, defend, intervene in, prosecute and settle any such actions, suits and proceedings without prejudice to the rights of any unit owners individually to appear, sue or be sued. Service of process on two or more unit owners in any such action, suit, or proceeding may be made on the President or managing agent. Every managing agent shall also be the agent of the respective lessees under any unit leases filed with the Board for collection, custody and payment of all rent, taxes, assessments and other charges thereunder payable to their lessors.

ARTICLE VIOBLIGATIONS OF UNIT OWNERS

Section 1. Assessments and Other Charges. All unit owners are obligated to pay the yearly assessments against them imposed by the Association to meet the common expenses of the project, including without limitation, the management and operation, maintenance, repair and rebuilding of the common elements and premiums for liability, fire and other hazard insurance. All such assessments shall be yearly, but payable monthly. Any delinquent assessment payment shall automatically make due and payable the remainder of the yearly assessment. All assessments shall be made pro rata according to the proportionate shares of the respective units as established by the Declaration and shall include monthly payments to the Maintenance Reserve Funds, and all unit owners shall also pay a monthly amount sufficient to accumulate and pay when due the full amount of all rent, taxes, assessments, and other appropriate charges. All such monthly payments shall be payable in advance on the first day of the month.

Section 2. Repair and Maintenance.

(a) Every unit owner shall from time to time and at all times will and substantially repair, maintain, amend and keep his unit with all necessary reparations and amendments whatsoever in good order and condition, except as otherwise provided by law or the Declaration, and without limitation shall perform promptly all work within his unit the omission of which would affect any common elements or other units and shall be responsible for all loss and damage caused by his failure to do so.

(b) All repairs of internal installations within each of the units such as water, light, gas power, sewage, telephones, air conditioning, sanitation, doors, windows, lamps and all other fixtures and accessories belonging to such unit, including interior walls and partitions and the inner decorated or finished surfaces of the perimeter walls, floors and ceilings of such unit and the interior surfaces of any adjacent limited common elements appurtenant to such unit, shall be at the unit owner's expense.

(c) Every unit owner shall reimburse the Association for any expenditures incurred in repairing or replacing any common elements or furniture, furnishings and equipment thereof damaged or lost through the fault of such unit owner or any person using the project under him and shall give prompt

notice to the managing agent of any such damage, loss or other defects when discovered.

Section 3. Use of Project.

(a) Each of the residential units shall be used only as a single family residence.

(b) All common elements of the project shall be used only for their respective purposes as designed.

(c) No unit owner or occupant shall place, store or maintain in the halls, lobbies, stairways, elevators, grounds or other common elements of similar nature any furniture, packages, or objects of any kind or otherwise obstruct transit through such common elements.

(d) Every unit owner and occupant shall at all times keep his unit in a strictly clean and sanitary condition and shall observe and perform all laws, ordinances, rules and regulations now or hereafter made by any governmental authority and all by-laws, rules, regulations, agreements, decisions and determinations duly made by the Association for the time being applicable to the project or the use thereof and all restrictions, covenants, conditions and provisions of the Declaration and amendments thereof duly made affecting the project.

(e) No unit owner or occupant shall make or suffer waste or unlawful, improper or offensive use of his unit or the project, or alter or remove any furnishings or equipment of the common elements.

Section 4. Construction of Improvements.

(a) No unit owner or occupant shall erect or place on the project any building or structure including fences and walls, nor make any additions or structural alterations to or exterior changes of any common elements of the project, nor place or maintain thereon any signs (except "for sale" or "for rent" signs) or bills visible outside of the project, except in accordance with plans and specifications including detailed plot plan, prepared by a licensed architect if so required by the Board of Directors, first approved in writing by the Board of Directors, and also approved by a majority of the percentage of votes of the unit owners (or such larger percentage required by law or the Declaration), including all owners of units thereby directly affected.

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ATTN: T. Nelson

ENCLOSURE

(b) No unit owner shall decorate or landscape any entrance, hallway, planting area or balcony appurtenant to his unit except in accordance with the standards therefor established by the Board of Directors or specified plans approved in writing by the Board.

Section 5. Right of Entry.

(a) The managing agent or any other person authorized by the Board of Directors shall have the right to enter each unit in case of an emergency originating in or threatening such unit, whether or not the owner or occupant is present at the time. (An emergency is defined as any situation in which a reasonable person would judge human or animal life or valuable property may be threatened unless immediate action is taken).

(b) Every unit owner and occupant, when so required, shall permit other unit owners or their representatives to enter his unit at reasonable times for the purpose of performing authorized installations, alterations or repairs to the common elements therein for central services, provided that requests for entry are made in advance.

(c) In the event of substantial damage to or destruction of any unit or any part of the common elements, the holders of first mortgages on units within or any portion of the project will be entitled to timely written notice of any such damage or destruction and the owner of such unit or other party will not be entitled to priority over such first mortgage holder with respect to the distribution to such unit of any insurance proceeds.

Section 6. Rules of Conduct.

(a) No owner or occupant shall post any advertisements, bill, poster or other sign on or about the project, although not visible outside of the project, except as authorized by the Board of Directors, except "for sale" or "for rent" signs.

(b) All occupants shall exercise extreme care about making noises or in the use of musical instruments, radios, television sets and amplifiers that may disturb other occupants.

(c) No garments, rugs or other objects shall be hung from the windows or facades of the project.

(d) No rugs or other objects shall be dusted or shaken from the windows of the project or cleaned by beating or sweeping on any exterior part of the project.

(e) No garbage, refuse or trash of any kind shall be thrown, placed or kept on any common elements of the project outside of the disposal facilities provided for such purpose.

(f) No livestock, poultry, or other animals whatsoever shall be allowed or kept in any part of the project, except that dogs, cats and other household pets in reasonable number may be kept by the owners and occupants in their respective units, but shall not be kept, bred, or used therein for any commercial purpose nor allowed on any common elements except in transit when carried on a leash, provided that any such pet causing a nuisance or unreasonable disturbance to any other occupant of the project shall be permanently removed therefrom promptly upon notice given by the managing agent or Board of Directors.

(g) No unit owner or occupant shall, without the written approval of the Board of Directors, install any wiring for electrical or telephone installations, television antenna, machines or air-conditioning units, or other equipment or appurtenances whatsoever on the exterior of the project or protruding through the walls, windows or roof thereof.

(h) Nothing shall be allowed, done or kept in any unit or common areas of the project which would overload or impair the floors, walls or roofs thereof, or cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance thereof maintained by or for the Association, nor shall any noxious or offensive activity or nuisance be made or suffered thereon.

Section 7. Foreclosure of Lien. In any suit to foreclose the lien against a unit owner for the delinquent assessments such delinquent owner shall be required to pay to the Association a reasonable rent for such unit until sale or foreclosure together with all costs and reasonable attorney's fees.

With the exception of a lender in possession of a condominium unit following a default in a first mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure, no unit owner shall be permitted to lease his unit for transient or hotel purposes. No unit owner may lease less than his entire unit. Any lease agreement shall be required to provide that the terms of the lease shall be subject in all respects to the provisions of the Declaration and the by-laws and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease. All leases shall be required to be in writing. Other than the foregoing, there is no restriction on the right of any unit owner to lease his unit.

Section 8. Title. Every unit owner shall promptly cause to be duly recorded the deed, lease, assignment or other conveyance to him of his unit or other evidence of his title thereto and file such evidence of this title with the Board of Directors through the managing agent and the Secretary, and the Secretary shall maintain such information in the record of ownership of the Association.

Section 9. House Rules. The Board of Directors, upon notice to all unit owners in the same manner as herein provided for notice of meetings of the Association and opportunity to be heard thereon, may adopt or amend any supplemental rules and regulations called House Rules, governing details of the operation and use of the common elements not inconsistent with any provisions of law, these by-laws, or the Declaration.

ARTICLE VII

AMENDMENT OF BY-LAWS

Section 1. Procedure. These By-laws may be amended in a respect not inconsistent with any provisions of law or the Declaration (specifically, with reference to the rights of holders of first mortgages on units within or any portion of the project), by affirmative vote of the unit owners representing 75% or more of the total votes of all unit owners, at any meeting of the Association duly called for such purpose, effective only upon the recording of an amendment to the Declaration setting forth such amendment of By-laws as provided by law.

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ALASKA PACIFIC BANK
BOX 400 - BENSON LOBBY
ANCHORAGE, AK 99510
ATTN: T. J. [Signature]

ARTICLE VIII

MORTGAGEES

Section 1. Notice to Association. Any unit owner who mortgages his interest in a unit shall notify the Association through the Secretary and the managing agent of the name and address of his mortgagees, and the Secretary shall maintain such information in the records of ownership of the Association.

Section 2. Notice of Unpaid Assessments. The managing agent or Board of Directors at the request of any mortgagee or prospective purchaser of any unit or interest therein will report to such person the amount of any unpaid assessments due from the owner of such unit.

ARTICLE IX

INDEMNIFICATION

Expenses and Liability. The Association shall indemnify every director and officer, and his executors and administrators, against all expenses reasonably incurred by or imposed on him in connection with any action, suit or proceeding to which he may be made a party by reason of being or having been a director or officer of the Association, except in relation to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for negligence or misconduct; and in the absence of such final adjudication, indemnification shall be provided only in connection with such matters as to which the Association is advised by its legal counsel that the person to be indemnified committed no such breach of duty. The foregoing right of indemnification shall not be exclusive of any other rights to which such person may be entitled.

ARTICLE X

COMPLIANCE

Section 1. Subordination. These By-laws are subordinate and subject to the provisions of the Declaration and all amendments thereto, and said Horizontal Property Regimes Act, and in case of any conflict, the latter shall control. All terms herein (except where clearly repugnant to the context) shall have the same meaning as in the Declaration or said Act.

Section 2. Interpretation. In case any provision of these By-laws shall be held invalid, such invalidity shall not render invalid any other provision hereof which can be given effect. Nothing in these By-laws shall be deemed or construed to authorize the Association or the Board of Directors to conduct or engage in any active business for profit on behalf of any or all of the owners.

ARTICLE XI

PERIODIC REAPPRAISAL

In accordance with Section 34.07.180 of Alaska Statutes, the units and common areas and facilities of this project shall be periodically reappraised with a recomputation of the percentage of undivided interest of each unit owner in the common areas and facilities as expressed in the Declaration, if required. The cost of any such reappraisals shall be borne by the Owners Association as provided for herein from funds collected from the unit owners, or specifically collected for such purpose. The affirmative vote of those unit owners owning seventy-five percent (75%) of the undivided interest in the common areas and facilities as expressed in the Declaration shall be required for such periodic reappraisal, unless the Supreme Court for the State of Alaska should rule otherwise.

ARTICLE XII

INSURANCE

The Association will carry as a common expense, a master policy of casualty and hazard insurance covering the common elements of the condominium project, and liability insurance to adequately protect the Association and its members from the loss for injury or accident occurring to persons in or on the common areas of the project, and a fidelity bond covering those who handle or are responsible for handling the funds of the Association.

ARTICLE XIII

ADOPTION OF BY-LAWS

The undersigned owners of the property of VISTA TERRACE CONDOMINIUMS project hereby adopt the foregoing as the By-Laws of the Association of Condominium Owners this 27th day of June, 1983.

OWNERS:

James O. Campbell
James O. Campbell

Robert C. Penney
Robert C. Penney

John D. Urban
John D. Urban

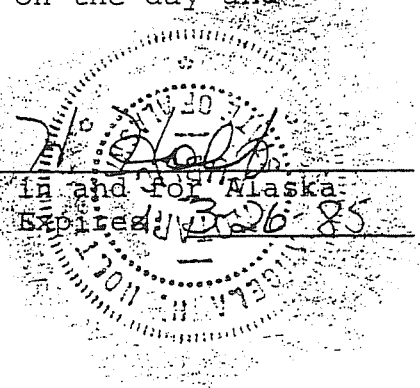
Frank G. Turpin
Frank G. Turpin

STATE OF ALASKA)
) ss:
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 27th day of June, 1983, before me, the undersigned Notary Public, personally appeared JAMES O. CAMPBELL, ROBERT C. PENNEY, JOHN D. URBAN and FRANK G. TURPIN, all known to me and they acknowledged to me that they signed and sealed the foregoing instrument freely and voluntary act and deed, for the uses and purposes therein stated.

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

Angela A. Dahl
Notary Public in and for Alaska
My Commission Expires 3-26-85



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ALASKA PACIFIC BANK
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