

CAMPBELL CREEK PARK CONDOMINIUM DECLARATION

EXHIBIT E

BYLAWS
OF
ASSOCIATION OF OWNERS
OF
CAMPBELL CREEK PARK CONDOMINIUMSARTICLE ICONDOMINIUM OWNERSHIP

Section 1. Creation: The project known as CAMPBELL CREEK PARK CONDOMINIUMS, consisting of that certain parcel of land and all improvements situated hereon in the Anchorage Recording District, Third Judicial District, State of Alaska and more particularly described as follows:

Tract B, EDAN PARK SUBDIVISION, Addition No. 3, Plat No. 40-58, Records of the Anchorage Recording District, Third Judicial District, State of Alaska.

has been submitted to the provisions of the Horizontal Property Regimes Act (Chapter 34.07 Alaska Statutes) as now existing or as hereafter amended by CAMPBELL CREEK ASSOCIATES, LTD., a Washington limited partnership of Seattle, Washington, hereinafter referred to as "Developer".

Section 2. Applicability of Bylaws: The provisions of these Bylaws are applicable to the project. All present and future owners, tenants and occupants of any apartments of the project and any other persons who at any time shall use any part of the project, are subject to these Bylaws. The mere acquisition, lease, rental or occupancy of any of the apartments of the project shall signify that these Bylaws are accepted and ratified and shall be complied with.

ARTICLE IIOFFICE

Section 1. Principal Office: The principal office of the Association shall be maintained at 2807 E. 46th Avenue, Anchorage, Alaska 99503 or elsewhere as the Board of Directors

may determine. Such office shall be the "registered" office of the corporation upon incorporation of the "Association".

Section 2. Place of Meetings: All meetings of the Association shall be held at its principal office unless some other place is stated in the call.

ARTICLE III

ASSOCIATION OF APARTMENT OWNERS

Section 1. Membership: All owners of apartments of the project shall constitute the Association of Apartment Owners, herein called the "Association". The owner of any apartment 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 apartment 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 apartment filed with the Board of Directors of the Association, the purchaser or lessee of such apartment shall be deemed the owner thereof.

Section 2. Annual Meeting: The first annual meeting of the unit owners shall be called by the Developer upon ten (10) days written notice not later than ninety (90) days after the title to seventy percent (70%) of the units of the project has been conveyed to an owner by Developer. Thereafter, an annual meeting of the unit owners shall be held on the first Tuesday in September of each year for the purpose of electing members of the Board and such other business as may come before the meeting.

Section 3. Special Meetings. Special meetings may be held at any time upon the call of the President or upon the call of owners representing at least twenty-five percent (25%) of the undivided interest in the common areas and facilities. Upon receipt of such call, the Secretary shall send out notices of the meeting to all members of the Association.

Section 4. Notice of Meetings. A written or printed notice of every meeting of the Association stating whether it is an annual meeting or special meeting, the authority for the call of the meeting, the day, place and hour thereof and the purpose therefor shall be given by the Secretary or the person or persons calling the meeting at least ten (10) days before the date set for such meeting. Such notice shall be given to each member and first mortgagee in any of the following ways:

- (a) By leaving the same with him personally, or
- (b) by leaving the same at the residence or usual place of business of such member, or
- (c) by mailing it postage prepaid, addressed to such member at his address as it appears in the records of the Association, or
- (d) if such owner or mortgagee cannot be located by reasonable efforts, by publishing such notice in any newspaper of general circulation in Anchorage, Alaska, such notice to be published not less than two (2) times on successive days. The first publication thereof not to be less than three days, nor more than ten (10) days prior to the date assigned for the meeting.

If notice is given pursuant to the provisions of this section, a failure of any member to receive actual notice of the meeting shall in no way invalidate the meeting or any proceedings thereat. Upon written request for notices mailed by registered mail addressed to the Secretary of the Association at the address of said project, the holder of a duly recorded mortgage against an apartment shall be sent copies of any and all notices permitted or required to be given from and after receipt of said request until said request is withdrawn and said mortgage is discharged of record.

All first mortgagees known to the Association shall receive notices of all meetings in the manner above set forth and

are entitled to attend (by agent, employee or other designatee) at all such meetings.

Section 5. Waiver of Notice: The presence of all the members, in person or by proxy, at any meeting shall render the same a valid meeting, unless any member shall, at the opening of such meeting, object to the holding of same for noncompliance of the provisions of Section 4 of this Article II. Any meetings so held without objection shall, notwithstanding the fact that no notice of meeting was given, or that the notice given was improper, be valid for all purposes and at such meeting any general business may be transacted and any action may be taken.

Section 6. Quorum: Except as otherwise provided in these Bylaws or Bylaw, the presence in person or by proxy of a majority of apartment owners shall constitute a quorum at any meeting of the Association. The vote of a majority of apartment owners present at a meeting at which a quorum is present shall be valid and binding upon the Association except as otherwise provided by law or these Bylaws. As used herein, "majority of apartment owners" shall mean those apartment owners whose aggregate interests in the common elements constitute over fifty one percent (51%) as determined by the percentages of undivided interest in and to the common elements as set forth in the "Declaration".

Section 7. Voting: Any person, firm, corporation, trust or other legal entity or a combination thereof, owning any unit in said project duly recorded in his or its name, the ownership whereof shall be determined by the records of the Anchorage Recording District shall be a member of the Association, and either in person or by proxy entitled to a vote equivalent to his percentage interest in the common elements for each unit so owned at all meetings of the Association. Any provision to the contrary notwithstanding co-owners or joint owners, shall be deemed one owner. The authority given by a member to another

person to represent such member at meetings of the Association shall be in writing signed by such member, or if an apartment is jointly owned, then by all joint owners, or if such member is a corporation, by the proper officers thereof, and shall be filed with the Secretary, and unless limited by its terms, such authority shall be deemed good until revoked in writing. An executor, administrator, guardian or trustee may vote in person or by proxy at any meeting of the Association with respect to any dwelling or unit owned and held by him in such a capacity whether or not the same shall have been transferred to his name by duly recorded conveyance. In case such units shall not have so been transferred to his name, he shall satisfy the Secretary that he is the executor, administrator, guardian or trustee holding such unit in such capacity. Whenever any such unit is owned by two or more jointly, according to the records of said bureau, the votes therefore may be exercised by anyone of the owners present, in the absence of protest by the other or others.

Any specified percentage of owners means the owners of units to which are appurtenant such percentage in the aggregate of undivided interest in the common areas and facilities as set forth in the Declaration Submitting Real Property to the Horizontal Property Regime Act.

Section 8. Adjournment: Any meeting of the Association may be adjourned from time to time to such place and time as may be determined by a majority vote of the members present, whether a quorum be present or not without notice other than the adjournment at the meeting. At any 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.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. Number and Qualifications. The direction and administration of the project and the affairs of the

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Association shall be vested in a Board of Directors, (hereinafter called "Board") comprised of five (5) persons who shall be elected as hereinafter provided. Each member of the Board shall be one of the apartment owners; provided however, that in the event that an apartment owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any officer, shareholder or director of such corporation, partner of such partnership, beneficiary or individual trustee of such a trust or manager of such other legal entity shall be eligible to serve as a member of the Board.

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 the administration of the project and may do all such acts and things as are not by law or by these Bylaws directed to be exercised and done by the owners.

Section 3. Other Duties: In addition to duties imposed by these Bylaws or by resolutions of the Association, the Board of Directors shall be responsible for the following:

- (a) Care, upkeep and surveillance of the project and the common areas and facilities;
- (b) Collection of monthly charges, assessments and contributions from the owners;
- (c) Designation and dismissal of the personnel necessary for the maintenance and operation of the project and the common elements and facilities.

Section 4. Manager or Management Agent, Employees,

Generally: Unless such requirement is waived in writing by the holders of first mortgagees on one hundred percent (100%) of the units in the project, the Board of Directors shall employ for the Association an experienced professional management agent or manager at a compensation established by the Board to perform such duties and services as the Board shall authorize, including but not limited to the duties listed in Sections 2 and 3 of this

Article.. The duties conferred upon the management agent or manager by the Board of Directors may be at any moment revoked, modified or amplified by the majority of owners at a duly constituted meeting and all employment agreements for such management shall be in writing and shall contain provisions giving effect to the following:

- (a) The agreement shall be terminable with or without cause by the giving of a thirty (30) day written notice by the Board;
- (b) The term of any such agreement may not exceed one (1) year, although it may be renewable by the parties for successive one (1) year terms.

The Board of Directors may employ any other employee or agents to perform such duties and at such salaries as the Board of Directors may establish.

Section 5. Election and Term of Office. At each annual meeting of the unit owners, they shall by a vote of a majority of owners present at such meeting elect the entire Board for the forthcoming year. The first elected Board of Directors shall be elected at the first annual meeting of unit owners hereinabove provided for and shall take office not more than thirty (30) days following their election. Members of the Board shall serve without compensation for a term of one (1) year and until their successors are elected. Vacancies on the Board shall be filled by vote of the remaining members of the Board.

Section 6. Removal of Directors: At any regular meeting or special meeting duly called, any one or more of the directors may be removed with or without cause by the affirmative vote of a majority of the 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 owners shall be given an opportunity to be heard at the meeting.

Section 7. Compensation: No compensation shall be paid to directors for their services as directors. No remuneration shall be paid to a director for services performed by him for the Association in any other capacity, unless a resolution authorizing such remuneration shall have been adopted by the Board of Directors before the services are undertaken. A director may not be an employee of the Association.

Section 8. Regular Meetings: A regular annual meeting of the Board shall be held immediately after and at the same place as the annual meeting of the apartment owners. Other meetings of the Board may be called, held and conducted in accordance with such regulations as the Board may from time to time adopt. Notice of regular meetings of the Board of Directors shall be given to each director personally or by mail addressed to his residence or by telephone at least three (3) days prior to the date named for such meeting.

Section 9. Special Meetings: Special meetings of the Board of Directors may be called by the President on three (3) days notice to each Director given personally or by mail addressed to his residence or by telephone which notice shall state the time, place, (as hereinabove provided) and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) directors.

Section 10. 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 by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Board of Directors Quorum: At all meetings of the Board of Directors, a majority of the Board of Directors shall constitute a quorum for the transaction of business and the acts of the majority of 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 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 12. Fidelity Bonds: The Board of Directors, in behalf of the Association and at the expense of the Association, shall maintain adequate fidelity coverage to protect against dishonest acts on the part of officers, directors, trustees and employees of such Association and all others who handle or are responsible for handling funds of the Association. Such fidelity bonds shall meet the following requirements:

- (a) All such fidelity bonds shall name the Association as an Obligee; and
- (b) such fidelity bonds shall be written in an amount equal to at least one hundred fifty percent (150%) of the estimated annual operating expenses of the condominium project, including reserves; and
- (c) such fidelity bonds shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expressions; and
- (d) such bonds shall provide that they may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least thirty (30) days prior written notice to the holders of first mortgagees or the designees thereof.

Section 13. Disputes. In the event of any dispute or disagreement between any apartment owners relating to the project or any question of interpretation or application of the provisions of the Declaration and Bylaws, the determination thereof by the Board shall be final and binding on each and all such apartment owners.

Section 14. Non-liability of Board Members: The members of the Board and the officers thereof shall not be liable to the apartment owners for any mistake of judgment or any acts or omissions made in good faith as such members or officers. The apartment owners shall indemnify and hold harmless each of such members or officers against all contractual liability to others arising out of contracts made by such members or officers on behalf of the apartment owners, unless any such contract shall have been made in bad faith or contrary to the provisions of these Bylaws. The liability of any apartment owner arising out of any contract made by such members or officers or out of the aforesaid indemnity shall be limited to such proportion of the total liability thereunder as his percentage interest in the common elements bears to the total percentage interest of all apartment owners in the common elements. Each agreement made by such members or officers shall be executed by such members or officers as agents for the unit owners.

ARTICLE V

OFFICERS

Section 1. Designation: The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by and from the Board of Directors. The Directors may appoint an Assistant Treasurer and an Assistant Secretary and such other officers as in their judgment may be necessary. One person may hold two offices, except the offices of President, Vice President and Secretary shall be filled by different persons.

Section 2. Election of Officers: The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new board 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 successor elected at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for such purpose.

Section 4. President: The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of President of an association, including but not limited to the power to appoint committees from among the owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 5. Vice President: The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as from time to time may be imposed upon him by the Board of Directors.

Section 6. Treasurer: The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursement in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association and such

depositories as may from time to time be designated by the Board of Directors.

Section 7. Secretary: The Secretary shall attend and keep the minutes of all meetings of the Board of Directors or of the Association; shall give all notices as provided by these Bylaws, and shall other powers and duties as may be incidental to the office of Secretary, given him by these Bylaws or assigned from time to time by the Directors. If the Secretary shall not be present at any meeting, the presiding officer shall appoint a secretary pro tempore, who shall keep the minutes of such meeting and record them in the books provided for that purpose.

Section 8. Auditor: The Association may, at any meeting, appoint some person, firm or corporation engaged in the business of auditing to act as Auditor of the Association and to perform such audits and fiscal duties as may be requested of him by the Association.

ARTICLE VI

OBLIGATIONS OF THE OWNERS, THE ASSOCIATION AND THE BOARD

Section 1. Expenses and Assessments: Every owner of any unit in said project shall contribute pro rata toward the expense of administration of said project, including but not limited to all types of insurance that the "Association" is required to maintain, the cost of operation, maintenance, taxes, utilities billed or charged to the Association, repair and replacement of the building and common elements thereof (including adequate reserve funds for same), according to the percentage interest appurtenant to the respective units as stated in the Declaration. Each year on or before thirty (30) days after the annual owner's meeting provided for herein, the Board shall establish the annual budget of common expenses (the "annual budget"), including the total amount required for the cost of wages, taxes, materials, insurance, services and supplies which will be required during the ensuing calendar year for the

rendering of all services, together with a reasonable amount considered by the Board to be necessary for a reserve, for contingencies and replacements and such other expenses as the Board may deem proper and shall on or before ten (10) days thereafter notify each apartment owner in writing as to the amount of such estimate with reasonable itemization thereof. Said annual budget shall be assessed to the apartment owners according to each apartment owner's percentage of ownership in the common elements as set forth in the Declaration or as the Declaration may be amended. Each apartment shall be billed for such annual charges and such annual charges shall be payable one-twelfth (1/12) monthly. As collected, the funds shall be allocated and segregated into a capital improvement reserve trust fund hereinafter called "reserve fund" for the replacement of common element components and a "working capital" fund to cover the anticipated routine operating expenses.

The Board shall provide for charges to build up and maintain a reasonable reserve for contingencies and replacements as may be required by reasonable business prudence and/or the holders of the beneficial interest of first deeds of trust or mortgages on the apartments. If said annual budget proves inadequate for any reason, including nonpayment of any owner's assessment, the Board may at any time levy a further assessment which shall be assessed to the apartment owners according to each apartment owner's percentage of ownership in the common elements. The Board shall serve notice of such further assessment on all apartment owners by a statement in writing giving the amount and reasons therefor and such further assessment shall become effective with the payment of which is due more than ten (10) days after the delivery or mailing of such notice of further assessment. All apartment owners shall be obligated to pay any such further charges.

All such charges shall bear interest at the maximum lawful rate per annum from due date until paid, and with such interest shall be a lien on the unit, assessed prior in right to all other charges whatsoever, except assessments, liens and charges in favor of the Anchorage Municipality for taxes past due and unpaid on said unit in amounts and liabilities secured by a first mortgage duly recorded. In the event any owner is delinquent in the payment of any said charges in excess of thirty (30) days, the Association is authorized to sever or disconnect all utility connections to his unit paid by the Association.

The Board shall supply to all apartment owners an itemized account of the maintenance expenses for the preceding calendar year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided and showing the net amount over or short of the actual expenditure, plus reserves.

When the first Board elected hereunder takes office, it shall determine the estimated budget as hereinabove described, for a period of commencing thirty (30) days after said election and ending one year later. Charges shall be levied against the unit owners during said period as provided in this Article.

The failure or delay of the Board to prepare or serve the annual or adjusted budget on the apartment owners shall not constitute a waiver or release in any manner of the apartment owner's obligation to pay the assessments or charges herein provided for as and when the same shall be determined. In the absence of a new annual budget or adjusted budget, the apartment owners shall continue to pay the charges at the then existing monthly rate established for the previous period until such time as a new rate is established in accordance with these Bylaws.

Nothing in these Bylaws shall prohibit the return of previously paid charges pro rata prior to the end of the Association tax year or to make any suitable arrangement for the handling

of reserve funds collected so as to avoid unfavorable tax consequences to the Association and/or its members; provided, however, that any funds to be returned shall only be done with the consent of the holders of first mortgages or first deeds of trust covering one hundred percent (100%) of the apartments in the project. Further, the Association shall simply be an agent to receive and disburse the funds designated "Capital Improvement Reserve Trust Fund" in behalf of the apartment owners.

Until such time as the first Board provided for herein is elected, the Developer may assess each apartment owner the fees and charges herein provided for. All of the rights, duties and functions of the Board set forth in these Bylaws may be exercised by the Developer for a period ending when the first elected Board of Directors takes office.

A first purchaser of an apartment from the Developer shall be required at the closing of the acquisition of such apartment to establish a reserve account by depositing with the Association an amount equal to one-sixth (1/6) of the particular apartment's allocation of the "annual budget". Such reserve account shall, while this project is subject to the Horizontal Property Regime Act be maintained by subsequent purchasers of the apartments. No interest shall be due or payable on account of reserves or other accounts provided for hereunder.

Conveyances of an apartment in the project shall be deemed to transfer any and all interest of the Grantor in and to such "reserve fund" and "working capital" fund to the Grantee.

Section 2. Maintenance and Repair:

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

(b) All the repair of internal installations of the units, such as water, light, power, sewage, telephone, sanitary installations, doors, windows, lamps and all other accessories belonging to the unit area shall be maintained at the owner's expense.

(c) An owner shall reimburse the Association for any expenditures incurred in repairing or replacing any common areas damaged through his fault.

Section 3. Use of Units. All units shall be utilized in accordance with the Bylaws, Declarations and House Rules, should House Rules be established.

Section 4. House Rules. In order to ensure the peaceful and orderly use of the building and common elements of said project, the Association may from time to time adopt, modify and revoke, in whole or in part, by a vote of the members present, in person or represented by proxy whose aggregate interest in the common elements constitutes eighty percent (80%) at any meeting for the purpose, such reasonable rules and regulations to be called House Rules governing the conduct of persons on said project as it may deem necessary. Such House Rules upon adoption and every amendment, modification and revocation thereof shall be delivered promptly to each owner and shall be binding upon all members of the Association and occupants of the building.

Section 5. Foreclosure of Lien: In any suit to foreclose the lien against any owner of a unit, the Association may represent itself through its manager or Board of Directors in like manner as any mortgagee or real property. The manager or Board of Directors acting on behalf of the unit owners shall have the power to bid and acquire such unit at a foreclosure sale. The Association shall be entitled to immediate possession of the particular unit upon the initiation of foreclosure proceedings against it. The delinquent owner shall be required to pay to the Association a reasonable rent for subject unit until sale or

foreclosure, together with all costs and reasonable attorney's fees., Suit to recover a money judgment for unpaid common expenses and all costs, including reasonable attorney's fees may be maintained without foreclosing or waiving the lien securing the payment of same. Anything in the foregoing to the contrary or elsewhere herein, or in the Declaration, notwithstanding any lien arising for the unpaid share of the common expenses chargeable to a unit shall be and is subordinate to the liens of first deeds of trust or mortgages of record. If a mortgagee or a recorded mortgage or a trustee of a recorded deed of trust or other purchaser of unit obtains possession of a unit as a result of foreclosure of the mortgage or by deed or assignment in lieu of foreclosure, the possessor, the successors and assigns thereof are not liable for the share of the common expenses or assessments chargeable to the unit which become due prior to such possession. This unpaid share of common interest or assessments is a common expense collectable from all the unit owners, including the possessor, his successors and assigns prorata in accordance with the percentage of undivided interest in the common areas.

Section 6. Right of Entry: The Association, the manager and any person authorized by the Board of Directors shall have the right to enter each unit in case of any emergency originating in or threatening such unit or other units whether or not the owner or occupant is present at the time and to effect maintenance and repair required under Section 2 above which an owner fails to provide. Every unit owner and occupant when so required shall permit other unit owners or their representative to enter his unit at reasonable times for the purpose of performing authorized installations or repairs to the common elements therein for central services provided that requests for entry are made in advance.

Section 7. Title: Every unit owner shall promptly cause to be duly recorded in the Anchorage Recording office the

deed, lease, assignment or other conveyance to him of his unit or other evidence of his title thereto and file such evidence of his title with the Board of Directors through the manager and the Secretary shall maintain such information in the record of ownership of the Association.

Section 8. Mortgages. Any first mortgagee of a unit shall file a copy of its mortgage with the Board of Directors through the Manager and the Secretary shall maintain such information in the record of ownership of the Association. After filing of the mortgage, the Board of Directors, through its Manager, shall be required to give such mortgagee prompt notice of any default in the unit mortgagor's obligations under the Declarations, Bylaws or Articles of Incorporation of the Association not cured within thirty (30) days of the date of default and the mortgagee at his option may pay the delinquent expenses.

The holders of first mortgages shall have the right to examine the books and records of the owner's Association and to require the submission of annual reports and other reasonably pertinent financial data to it and such holder shall determine what information is "reasonably pertinent".

Section 9. Insurance and Bonds: The Board, on behalf of the Association and at its common expense, shall purchase and at all times maintain such policies of fire and liability insurance and hazards included within the term "extended coverage" with respect to the project as may be provided by the Declaration or authorized by the Board or reasonably requested by the holder of a first mortgage on a unit or units. Such insurance and bonds shall be such as to meet the requirements of any holder of a first mortgage or deed of trust on any unit, but in any event fire extended coverage and casualty insurance shall be maintained in an amount equal to the value of the project (exclusive of raw land value) and liability insurance in the amount of at least One Million Dollars (\$1,000,000.00) shall be maintained to protect the

"Association" and the individual unit owners from liabilities caused by acts and omissions of all officers, agents or employees of the owner's Association and the condition of the common areas.

Notwithstanding any other provisions herein or in the Declarations for this project, so long as the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation or the Federal Housing Administration or the Veteran's Administration or their successors or assigns as a mortgagee or a beneficiary on a mortgage or deed of trust constituting a lien on a unit or an owner of a unit the Association will carry as a common expense, a master policy of casualty and liability insurance and fidelity bonds with such coverages and endorsements and in such amounts as shall be required by such agencies regardless of other or different requirements of the Association, the owner, beneficiaries, mortgagees or other interested parties.

If for any reason individual unit owners become responsible for the obtaining of their own insurance, the Association shall select a single carrier so that coverage is uniform.

Section 10. Notification of Damage or Loss: The Board, in behalf of the owner's Association shall notify the holders of first mortgages covering all or a portion of the project or their designee in writing whenever, (a) damage to a unit covered by a first mortgage exceeds One Thousand Dollars (\$1,000.00), and/or (b) damage to common areas and related facilities exceeds Ten Thousand Dollars (\$10,000.00). Where Federal Home Loan Mortgage Corporation is involved, notice shall be c/o Servicer at Servicer's address.

Section 11. Accounting for Expenditures: The Board and the Manager shall keep detailed and accurate records in chronological order of the receipts and expenditure affecting the common areas and facilities specifying and itemizing the maintenance and

repair expenses of the common areas and facilities and any other expenses incurred. All books and records shall be kept in accordance with good accounting procedures and shall be reviewed at least once a year by an auditor outside the "Association".

Section 12. Non-Exemption for Common Expenses: No unit owner may exempt himself, herself or itself from liability for contributions toward the prorata share of the common expenses of common areas and facilities by waiver of the use or enjoyment of any of the common areas or facilities or by the abandonment of the "unit".

ARTICLE VII

EXECUTION OF INSTRUMENTS

Section 1. Instruments Generally: All checks, draft, notes, bonds, acceptances, contracts and all other instruments except conveyances shall be signed by such person or persons as shall be provided by general resolution applicable thereto. Such instruments shall be signed by the President or by the Vice President and by the Treasure, Secretary or Assistant Treasurer or Assistant Secretary.

ARTICLE VIII

LIABILITY OF OFFICERS

Section 1. Exculpation: No director or officer of the Association shall be liable for acts or defaults of any other officer or member or for any loss sustained by the Association or any member thereof unless the same has resulted from his own wilful misconduct or negligence.

Section 2. Indemnification: Every officer, director and member of the Association shall be indemnified by the Association against all reasonable costs, expenses and liabilities (including counsel fees) actually and necessarily incurred by or imposed upon him in connection with any claim, action, suit, proceeding, investigation or inquiry of whatever nature in which he may be in fault as a party or otherwise by reason of his having

been an officer or member of the Association whether or not he continues to be such director, officer or member of the Association at the time of the incurring or imposition of such costs, expenses or liabilities, except in relation to matters to which he shall be finally judged in such action, suit, proceeding, investigation or inquiry to be liable for wilful misconduct or negligence to the Association in the performance of his duties or in the absence of such final adjudication, any determination of such liability by the opinion of legal counsel selected by the Association. The foregoing right of indemnification shall be in addition to and not in limitation of all rights to which such persons may be entitled as a matter of law and shall enure to the benefit of the legal representative of such person.

ARTICLE IX

FISCAL YEAR

Section 1. Fiscal Year: The fiscal year of the Association shall be such as may from time to time be established by the Association.

ARTICLE X

BYLAWS

Section 1. Amendment: These Bylaws may be amended, modified or revoked in any respect from time to time by vote of the members of the Association whose aggregate interest in the common elements constitutes seventy-five percent (75%) at a meeting duly called for the purpose, PROVIDED, HOWEVER, that the contents of these Bylaws shall always contain those particulars which are required to be contained herein by the Horizontal Property Regime Act; and PROVIDED FURTHER, that no substantial change shall be made to the provisions of the Bylaws between the time of execution and delivery of an agreement of purchase and sale by a purchaser and the time of closing without the consent of the purchaser.

Section 2. Conflict: In the event of any conflict between the Bylaws and the mandatory provisions of the Horizontal Property Regime Act, the later shall govern and apply.

ARTICLE XI

EVIDENCE OF OWNERSHIP AND REGISTRATION OF MAILING ADDRESS

Section 1. Proof of Ownership: Except for those owners who initially purchase a unit from Developer, any person or entity on becoming an owner shall furnish to the Secretary of the "Association" and any managing agent a machine or certified copy of the recorded instrument vesting that person or entity with an interest or ownership in the lot, which copy shall remain in the files of the Association.

Section 2. Registration of Mailing Address: The owners or several owners of an individual unit shall have one and the same mailing address to be used by the Association for the mailing of statements, notices, demands and all other communications and such registered address shall be the only mailing address of a person or persons' firm, corporation, partnership, association or other legal entity or any combination thereof to be used by the Association. Such registered address shall be furnished by such owners to the Secretary of the Association and any managing agent within fifteen (15) days after transfer of title or after a change of address and such registration shall be in written form and signed by all of the owners of the lot or by such persons as are authorized by law to represent the interests of the owners thereof.

ARTICLE XII

DAMAGE OR DESTRUCTION

In the event of damage to or destruction of the common areas and facilities, all available insurance proceeds, including proceeds on any policies taken out by unit owners shall be payable to such bank or trust company authorized to do business in the State of Alaska as the Board shall designate as trustee for all

unit owners and mortgagees as their interest may appear in the respective units and appurtenant common areas and shall be used promptly by the Association to the extent necessary for rebuilding, repairing, or reconstructing such improvements in accordance with the original plans and specifications or if the work according to the original plans and specifications is not permissible under the then applicable laws and regulations then in accordance with such plans and specifications as modified by the Board to the extent necessary to permit the work to proceed.

In the event of any deficiency between said insurance proceeds and the cost of the work, each owner shall pay his proportionate share of said deficiency as common expenses in accordance with Article VI, Section 1 above.

Subject to the foregoing, the Board shall have the authority, as agent of all owners, to enter into a contract or contracts to accomplish such work. The foregoing rebuilding, repair and reconstruction shall be on the vote or consent or acquiescence of unit owners representing over fifty percent (50%) of the undivided interest in the common areas and facilities. Unless owners representing over fifty percent (50%) of the undivided interest in the common areas and facilities have filed with the Board and recorded and noticed that they do not desire the rebuilding, repair or reconstruction prior to the time fifty-five (55) days have passed from the occurrence of such event, such majority vote shall be deemed to have been made.

Except for such determination to repair, rebuild or reconstruct, all other determination shall be effected only pursuant to an amended Declaration duly executed by the owners representing not less than one hundred percent (100%) of the common interest and consented to in writing by all holders of first mortgages effecting any of the units.

ARTICLE XIIIDEFINITIONS

Section 1. "Unit" and "Apartment": "Unit" and "Apartment", as used herein are equivalent to "Apartment" as defined in Title 34, Chapter 07, Alaska Statutes.

Section 2. "Mortgage" and "Deed of Trust": "Mortgage" and "Deed of Trust" as used herein shall be deemed to be equivalent and the use of one such term shall where the sense requires be deemed to also mean the other, both meaning a real property security interest in one or more units contained in the project. "Mortgagor", "Mortgagee" and "Holder" shall be deemed the equivalent of "Trustor", "Beneficiary" and holder of the beneficial interest under a Deed of Trust respectively. Where these Bylaws require affirmative action towards or by the "Holders", "First Mortgagees" and so forth, such terms shall be deemed to apply only to "institutional" holders (any bank, savings and loan association, corporation, mortgage company, insurance company or Federal or State agency).

ARTICLE XIVPERIODIC 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 provided for herein from funds collected from the unit owners or specifically collected for such purpose.

ARTICLE XVADOPTION OF BYLAWS

The undersigned owner and "Developer" of said project hereby adopts the foregoing Bylaws of its Association of unit owners this 1 day of July, 1980.

CAMPBELL CREEK ASSOCIATES

Frederick C. McCorrison
 FREDERICK C. MCCORRISTON
 General Partner of Campbell Creek
 Associates, Ltd., A Washington
 Limited Partnership

STATE OF ALASKA)
) ss.
 THIRD JUDICIAL DISTRICT)

THIS CERTIFIES that on this 1st day of July, 1979, before me the undersigned Notary Public in and for the State of Alaska, personally appeared FREDERICK C. MCCORRISTON to me known and known to me to be the General Partner of the Partnership described in and who executed the foregoing instrument and he acknowledged to me that he executed the same freely and voluntarily for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate first above written.

Darlene E. Fisher
 NOTARY PUBLIC IN AND FOR ALASKA
 My Commission Expires 7-3-81

86-028311

176.00

RECORDED-FILED
 ANCHORAGE REC.
 DISTRICT

JUL 9 2 03 PM '80

REQUESTED BY *Moderow, Walsh & Tucker*
 ADDRESS 510 E. 4th
Anch. Ak. 99501

308501

AMENDMENT TO DECLARATION SUBMITTING
REAL PROPERTY TO HORIZONTAL REGIME
FOR CAMPBELL CREEK PARK CONDOMINIUMS

The undersigned, Campbell Creek Associates, Ltd., a Washington limited partnership, being the owners of eighty-eight percent (88%) of the condominium project located on property more particularly described below, hereby amends that certain Declaration Submitting Real Property to Horizontal Regime for Campbell Creek Park Condominiums dated the 24th day of June, 1980, and recorded in Book 507, Page 46, of the Anchorage Recording District, Third Judicial District, State of Alaska.

The land upon which the project provided for in the original Declaration in this amendment is situate in the Anchorage Recording District, Third Judicial District, State of Alaska, more particularly described as follows:

Tract B, EDEN PARK SUBDIVISION,
Addition No. 3, according to
Plat No. 80-58, located in the
Anchorage Recording District,
Third Judicial District, State
of Alaska.

AMENDMENT I

ARTICLE IX, Section 8, located on page 5 of the original Declaration Submitting Real Property to Horizontal Regime for Campbell Creek Park Condominiums, is deleted in its entirety.

AMENDMENT II

ARTICLE IX, Section 9, located on page 5 of the original Declaration Submitting Real Property to Horizontal Regime for Campbell Creek Park Condominiums, shall be amended to read as follows:

Section 9. Renting, Leasing. No owner shall be permitted to rent or lease a condominium unit for transient or hotel purposes. No owner may lease or rent less than the entire condominium unit. Any lease or rental agreement shall provide that the terms thereof shall be subject in all respects to the provisions of the Declaration and the Bylaws, and that any such failure by the lessee to comply with the terms of such document shall be a default under the lease or rental agreement. All leases and rental agreements shall be required to be in writing. Other than the foregoing, there is no restriction on the right of any owner to lease or rent a condominium unit.

ARTICLE XII, Section 3, shall be amended to read:

Section 3. Inseparability. Each unit shall be inseparable from the undivided interest in and to the common elements appurtenant thereto and no such unit shall be conveyed, leased, devised, mortgaged or otherwise transferred except as a complete condominium unit, as defined herein in ARTICLE II. Every gift, devise, bequest, transfer, encumbrance, conveyance or other disposition of a condominium unit or any part thereof shall be presumed to be a gift, devise, bequest, transfer, encumbrance, or conveyance respectively of the entire condominium unit, together with all appurtenant rights created by law or by this Declaration.

Alaska, DATED this 10 day of December, 1980, at Anchorage,

Frederick C. McCorrison
 FREDERICK C. MCCORRISTON
 General Partner of Campbell
 Creek Associates, Ltd., a
 Washington Limited Partnership

STATE OF ALASKA)
 : ss.
 THIRD JUDICIAL DISTRICT)

THIS CERTIFIES that on this 10 day of December, 1980, before me, the undersigned Notary Public in and for the State of Alaska, personally appeared FREDERICK C. MCCORRISTON, to me known and known to me to be the General Partner of the partnership named in the foregoing instrument and he acknowledged to me that he executed the same freely and voluntarily for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate first above written.

Clarence Denick
 NOTARY PUBLIC IN AND FOR ALASKA
 My Commission Expires: 10-1-81

CONSENT OF HOLDER OF FIRST MORTGAGE

The undersigned, ALASKA PACIFIC BANK, holder of the beneficial interest under a Deed of Trust covering all of the above-described property, hereby approves, consents and joins in the foregoing Amendment to Declaration Submitting Real Property to Horizontal Regime for Campbell Creek Park Condominiums.

ALASKA PACIFIC BANK

By Richard E. Nelson
 Its VICE PRESIDENT

STATE OF ALASKA)
 : ss.
 THIRD JUDICIAL DISTRICT)

THIS CERTIFIES that on this 26th day of December, 1980, before me, the undersigned Notary Public in and for the State of Alaska, personally appeared Richard E. Nelson, to me known and known to me to be the Vice President of Alaska Pacific Bank, the corporation named in the foregoing instrument and he acknowledged to me that he executed the same freely and voluntarily for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate first above written.

Dorinda [Signature]
 NOTARY PUBLIC IN AND FOR ALASKA
 My Commission Expires: 3-20-82

RETURN TO:
 CAMPBELL CREEK ASSOCIATES
 c/o ALASKA FIRST MORTGAGE
 207 E Northern Lights
 Anchorage, Alaska 99503
 ATTN: FRED MCCORISTON

npad

81-002033

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RECORDED
 ANCHORAGE REG.
 DISTRICT

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GROUP: