

AMENDED AND RESTATED
DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
DEVONSHIRE SUBDIVISION
AND DEVONSHIRE SUBDIVISION, ADDITION NO. 1

THIS AMENDED AND RESTATED DECLARATION, made on the date hereinafter set forth by the "Owners" of not less than sixty-six percent (66%) of the lots in Devonshire Subdivision and by the "Owners" of not less than sixty-six percent (66%) of lots 1 - 10 in Devonshire Subdivision, Addition No. 1, as follows:

W I T N E S S E T H:

The intent and purpose of this instrument is to amend and restate the following:

A) Devonshire Subdivision Declaration of Covenants, Conditions and Restrictions recorded March 18, 1985 in Book 1240 at Pages 0366 through 0372, in the Anchorage Recording District, Third Judicial District, State of Alaska (Devonshire Subdivision). The real property subject to such Declaration is now more particularly described as follows:

Lots 1 through 29, Block 1 and Lots 1 through 31, Block 2, Devonshire Subdivision, according to Plat 84-234, filed in the Anchorage Recording District, Third Judicial District, State of Alaska.

B) Devonshire Subdivision Declaration of Covenants, Conditions and Restrictions recorded June 19, 1985 in Book 1282 at Pages 0673 through 0679, in the Anchorage Recording District, Third Judicial District, State of Alaska (Devonshire Subdivision, Addition No. 1). The real property subject to such Declaration is now more particularly described as follows:

Lots 1 through 10, Devonshire Subdivision, Addition No. 1, according to Plat 85-115, filed in the Anchorage Recording District, Third Judicial District, State of Alaska.

This Amended and Restated Declaration is executed and recorded pursuant to Article 4, Section 2 of the Declaration referred to at (A) above, and Article 4, Section 2 of the Declaration referred to at (B) above.

NOW, THEREFORE, it is hereby declared that all of the property described above, and all of the property described at Article 1, Section 3 below, shall be held, sold, conveyed, developed and improved subject to the following easements, restrictions, covenants and conditions which are for the purpose of protecting the value and desirability of, and which shall run with such real property and be binding on all parties having any right, title or interest in such property, or any part thereof, and the heirs, successors and assigns thereof and shall inure to the benefit of, and be binding upon all of the foregoing.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Devonshire Homeowners Association, Inc., an Alaska non-profit corporation, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any "Lot" which is a part of the "Properties," excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Property" or "Properties" shall mean and refer to that certain real property herein made subject to this Declaration and such additional property as may hereafter be brought within the jurisdiction of the Association by annexation by the "Association" under Article VIII of this Declaration. Nothing herein contained shall obligate the "Association" to make additions or annexations.

Section 4. "Common Area" shall mean all real property, including the improvements thereto, owned by the "Association," or which the "Owners of Lots" otherwise have a right to use and enjoy, and each "Owner" shall have a nonexclusive easement for the use and enjoyment of such "Common Area" without further words of conveyance of same. "Common Area" includes the improvements thereon. No "Common Area" is owned by the Association at the time of recording of the Declaration. Ownership of Tract D of Devonshire Subdivision, according to Plat 84-379 will, according to Note 12B on said Plat, be retained by present owners of the tracts of land created by this plat except that it is hereby stipulated that during the course of development of these individual tracts the ownership of Tract D will be transferred wholly to residents within the subdivision boundaries. Said Note also provides that "These residents or their designees may hold ownership of Tract D in common undivided interests or as a homeowners association group. As of recording of this amended and restated Declaration, said Tract D has not been deeded over. In addition, Article 6, Section (c) of both the Devonshire Subdivision Declaration and the Devonshire Subdivision, Addition No. 1 Declaration referred to at A) and B) at page one hereof, state that the common area to be owned by the Association at the time of the conveyance of the first lot is described as Tracts A, B and C, DEVONSHIRE SUBDIVISION. Nothing on this amended or restated Declaration shall be deemed to release, waive or disclaim any interest the owners of lots may have in such tracts, it being the intent of the owners to reserve all rights they or the Association may have to said tracts.

Section 5. "Lots".

"Lot," with respect to an "Owner," shall mean and refer to a parcel of land that is part of the "Properties" which has been conveyed to an "Owner." "Lot," includes the improvements thereon. "Lot" does not refer to the Common Areas, nor does it refer to a parcel of land not part of the "Properties" as herein defined.

Section 6. Mortgage Defined. Mortgage as used throughout this Declaration shall mean a real property security interest in one or more Lots contained in the project and may be nominally a mortgage or a Deed of Trust. "Mortgagor," "mortgagee" and "holder" shall be deemed to be the equivalent of a trustor, beneficiary and holder of the

beneficial interest under a Deed of Trust, respectively. Where this Declaration requires affirmative actions towards or by "holders," "first mortgagees," etc., such terms shall be deemed to apply only to "institutional" holders of first mortgages (any bank, savings and loan association, credit union, corporation, mortgage company, insurance company, or federal or state agency).

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of use, benefit and enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

A. the right of the Association to suspend the voting rights and right to use the Common Area of an Owner of a Lot for any period during which any assessment against that Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations adopted in accordance with the Bylaws of the Association and this Declaration.

B. the right of the Association to dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by those members entitled to cast at least seventy-five percent (75%) of the votes of the entire membership, agreeing to such dedication or transfer has been recorded, together with the written approval required under Article VI below.

Section 2. Delegation of Use. Any Owner may delegate the right of enjoyment to the Common Area to family members, tenants, or contract purchasers who reside on the Lot to which such right of enjoyment is appurtenant. The Owner shall notify the Secretary of the Association in writing of the name of such delegate, and the rights and privileges of such delegate are subject to suspension to the same extent as those of an "Owner." No such notice shall be necessary for members of an Owner's family residing on the property. Anything to the contrary herein or elsewhere notwithstanding, the entitlement to the use and enjoyment of the "common area" shall not be severable from any "Lot."

Section 3. Leases. Any lease agreement between the Owner of Lot or the Declarant and a lessee shall be subject in all respects to this Declaration, the Articles of Incorporation for the "Association" and the Bylaws of the "Association," and any failure by the Lessee to comply with the terms of such documents shall be a default under the lease. All leases shall be in writing. Other than the foregoing, there is no restriction on the leasing of a lot. As used herein, "Lease" shall include any agreement for the leasing or rental or use of a Lot.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of a Lot. Transfer of a Lot to a different "Owner" automatically transfers membership in the "Association" and all rights of the Transferor, with respect to the "Common Area" to which ownership of such Lot relates.

Section 2. The Association shall have two classes of voting membership:

Class A. Class A members shall be all "Owners" of lots upon which a residence has been constructed in accordance with this Declaration and a Certificate of Occupancy duly issued, and shall be entitled to one vote for each Lot owned. When more than one person is an "Owner" of a Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast per Lot, nor shall fractional votes be cast for Class A.

Class B. The Class B member(s) shall be the "Owners" of Lots upon which no residence has been constructed (no certificate of occupancy has been issued), and shall be entitled to one-half (1/2) vote for each Lot owned.

Section 3. The internal affairs of the "Association" shall be controlled by its "Bylaws" and as they may from time to time be amended. A copy of the Bylaws in effect at the time of recording of this Declaration is attached hereto as Exhibit "A" and all terms and provisions thereof are incorporated by reference herein as if fully set forth.

ARTICLE IV

COVENANT FOR ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Assessments. Each Owner of any Lot by acceptance of a Deed therefor, whether or not it shall be so expressed in such Deed, is deemed to covenant and agree to pay to the Association a proportionate share of the "Common Expense" of administration of the Properties by the payment of annual and special assessments which the Association, acting through its Board of Directors, shall levy and collect in the manner set forth in the Bylaws of the Association or this Declaration or as reasonably implied from either. "Common expense" as used herein shall mean expenditures for or liabilities incurred by or on behalf of the Association, together with any amounts for the creation and maintenance of reserves within the scope of this Declaration or reasonably implied therefrom and in this regard the decision of the Board of Directors of the Association shall be determinative. The assessment(s) against any Lot, with interest, costs and reasonable attorneys' fees, shall be a continuing lien upon it until paid. Each such assessment, together with interest, costs and a reasonable attorneys' fees, shall also be the personal obligation of the "Owner" of the Lot at the time the assessment fell due. Where there is more than one "Owner" of a Lot, the liability shall be joint and several. The personal obligation for delinquent assessments shall not pass to successors in title or interest to a Lot unless expressly assumed by the same. The lien for such assessment(s) against a particular Lot shall not, however,

be affected by any sale or transfer of same, except that a sale or transfer pursuant to a first Deed of Trust or first mortgage foreclosure by an "institutional holder" (including deed in lieu thereof) shall extinguish such lien for assessments which became due and payable prior to transfer pursuant to foreclosure but shall not relieve the purchaser or transferee from liability for, nor the Lot so sold or transferred from the assessment lien for assessments becoming due after such transfer or sale. In the case of regular assessments assessed annually and collected monthly, said purchaser or transferee and lot shall be obligated and responsible from and after the date of sale or transfer regardless of any attempted acceleration against the prior owner.

Such annual and special assessments shall be due and payable in monthly installments in advance and the provisions of this section shall apply to each such installment as well as the total annual or the particular special assessment. Where there is a delinquency in the payment of an installment for a period of thirty (30) days after written notice of such delinquency has been mailed to the owner at the address appearing on the Association records, by certified mail, return receipt requested, the Board of Directors of the Association may, at the sole option of the Board, declare the total annual assessment at once due and payable; and shall be entitled to a lien for, and to collect the balance of the annual assessment and an amount totaling twelve times the then monthly installments which amount shall be credited against future installments.

The Board of Directors shall be further authorized and empowered to adopt such other procedures and policies as may be reasonable to enforce payment of all such assessments including a uniform policy of late charges.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, welfare and economic interests of the residents of the "Properties", and in particular but not limited to, providing for the maintenance or landscaping, fences, signs and other improvements on the above described Tract D, according to Plat 84-379, and maintain such liability insurance as may be required by institutional holders of first mortgages.

Section 3. Regular (Annual) Assessments. Each year, on or before thirty (30) days after the annual meeting of the Association, the Board of Directors of the Association shall estimate the annual budget of "Common Expense" (the "annual budget") including the total amount required for the cost of taxes, insurance, services and supplies which will be required during the ensuing twelve month period, together with a reasonable amount considered by the Board to be necessary as a reserve for contingencies and replacements, and such other expenses as the Board may deem proper, and shall on or before fifteen (15) days thereafter notify the Owner of each Lot in writing as to the amount of such estimate with reasonable itemization thereof. The proportionate share of the "annual budget" shall be assessed against each Lot in accordance with this Declaration and the Bylaws. Except as modified by Section 5 of this Article, "Proportionate share" shall mean in the ratio that one (1) bears to the total number of Lots subject to assessment. Such "Regular Assessment" against each Lot and Owner shall

be due and payable annually in advance and within thirty (30) days of the notification to Owners provided for above.

No interest shall be due or payable on account of such deposits or other accounts or reserves of the Association. Conveyance of a Lot shall be deemed to transfer all right, title and interest to such reserves and deposits.

The initial maximum annual assessment rate for the Properties is \$120.00 per Lot, which maximum annual assessment shall apply through the 30th day of April, 1991.

A. From and after May 1, 1991, the maximum annual assessment may be increased effective May 1 of each year without vote of the membership by an amount up to 5% of the maximum annual assessment for the preceding year.

B. From and after May 1, 1991, the maximum permissible annual assessment under A., above for a particular year may be increased by an amount greater than 5% of the maximum permissible annual assessment for the preceding year by a vote of the members for each succeeding period of one year from the effective date of such increase, provided that any such change shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

C. The Board of Directors of the Association may fix the annual assessment at any amount not in excess of the maximum.

Section 4. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots at the same time. Unimproved lots shall be assessed at fifty percent (50%) of the assessment rate of improved lots, unless consented to in writing by the "Owners" of the particular "Unimproved lot". "Unimproved lot" for the purpose of this Article shall mean a Lot upon which no residence has been constructed (see Article III, Section 2, Class B).

The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid.

Section 5. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment (or installment thereof) not paid within fifteen (15) days after the due date shall bear interest at the maximum lawful rate of interest until paid. When there are lots financed under FHA/VA loans, the interest rate shall not exceed, however, the prevailing rate of interest on FHA insured mortgages. The Association may, in addition to other sanctions available to it, bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property; and shall be entitled to collect reasonable costs of collection including attorneys' fees, court costs and duly established late payment penalties. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area, or utilities or other services provided by or paid for

by the Association, or abandonment of a Lot. All assessments are due without demand.

Section 6. Subordination of the Lien to Mortgages. The assessment lien provided for herein shall nevertheless be and hereby is made subordinate to any first mortgage or Deed of Trust owned or held by an "institutional holder" on or against a Lot if the mortgage or Deed of Trust is recorded prior to the date on which such lien in favor of the Association arose, and assessments, liens and charges against a Lot in favor of the Anchorage Municipality. If a mortgagee of a recorded first mortgage or a trustee of a recorded first Deed of Trust or other purchaser of a Lot obtains possession of same as a direct result of foreclosure of either, 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 Lot which became due prior to such possession. This unpaid share of common expenses or assessments is a common expense collectable from all of the Lot Owners, including the possessor, his successors and assigns, in accordance with this Article.

Section 7. Special Assessments.

A. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, and general landscaping, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes cast at a meeting duly called for this purpose.

B. Special Assessments for Improvements or Repairs to Buildings and/or Lots. In addition to the annual assessments and special assessments for capital improvements authorized above, the Association may levy a special assessment for the purpose of defraying, in whole or in part, the cost of construction, reconstruction, repair, replacement, beautification or landscaping of or to any assessable building and/or lot, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes cast at a meeting duly called for this purpose.

Section 8. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3B, 7A or 7B above, shall be sent to all members not less than fifteen (15) days nor more than sixty (60) days in advance of the meeting, which notice shall set forth the purpose of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at each subsequent meeting shall be called subject to the same notice requirement, and the required quorum at each subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, but in no event shall such quorum be less than 30% of the members

eligible to vote. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

ARTICLE V

LAND USE

Section 1. Land Use and Building Type. Lots shall be used for residential purposes only, except that professional or business uses may be conducted in a dwelling provided that said uses must be incidental to the use of the dwelling for residential purposes. Further, non-residential activities must comply with governmental regulations addressing Home Occupations, no signs may indicate in any way that a non-residential activity is being conducted, and no increase in street traffic, substantial or insubstantial, is permissible.

No building or structure shall be erected, altered, placed or permitted to remain on any lot other than:

A. One detached single-family dwelling. Each and every dwelling must have a garage capable of housing at least two automobiles. Larger garages or more than one garage may be permitted by the Architectural Control Committee on a case-by-case basis.

B. Fences, gates and associated structures.

C. A greenhouse.

D. A garden tool shed, children's playhouse, or like structure.

E. A doghouse and/or pen.

F. Any other accessory building, shed, structure, antenna or other item permitted by the Architectural Control Committee.

None of the items listed above may be constructed, installed, placed or made without the express written approval of the Architectural Control Committee.

Section 2. Architectural Control and Penalty. No construction, clearing or site grading shall begin until the Architectural Control Committee has approved the proposed construction. A penalty of One Hundred Dollars (\$100.00) per day shall be assessed for unapproved construction.

Section 3. Trees. No lot shall be cleared of trees of size and beauty except to the extent reasonably necessary for construction and residential purposes; trees may be thinned or pruned only for the purpose of improving the natural beauty of the lot. The front yard of each lot shall support no less than four (4) live trees at any time. Each tree shall be greater than five (5) feet tall, three (3) inches in diameter at the base, and in good health. Trees may be planted to replace trees which are damaged or destroyed by construction or otherwise. Waivers of this requirement may be granted by the Architectural Control Committee on a case-by-case basis if the owner presents an acceptable alternative proposal.

Section 4. Landscaping. All areas of each lot not devoted to buildings, structures, driveways, walks, off-street parking areas or other permitted site improvements shall be landscaped or covered with lawns, shrubbery, trees, garden bark, landscaping cobbles or other ground cover approved by the Architectural Control Committee. Native vegetation shall not suffice as landscaping unless the type and quality is such that the Architectural Control Committee expressly approves the proposal. Vegetable gardens in the front yard of a lot require approval of the Committee.

Each owner shall similarly landscape the adjacent unpaved public right-of-way fronting each lot, the area of which shall be defined by extending the boundary lines of each lot. The lot owner shall bear all costs associated with maintenance of landscaped areas. All required landscaping work shall be completed by the first day of August following initial occupancy of the residence.

Section 5. Driveways. All driveways leading from the street to the garage shall be hard-surfaced and at least eighteen (18) feet wide. Where driveways cross sidewalks, each driveway shall have a concrete apron between the street curb and the sidewalk.

Section 6. Dwelling Size and Completion. Each dwelling shall contain at least 1,750 S.F. of Gross Floor Area, excluding porches, garages, covered patios, sun-decks, or carports unless the Architectural Control Committee expressly waives the size requirement. Any such waiver may allow construction of a dwelling which contains no less than 1,575 S.F. Said waiver will be granted only if the proposal substantially conforms with the letter and intent of these Declarations and the finished appearance contributes to the appearance of the entire neighborhood.

No more than 800 S.F. of the interior area can remain unfinished after the date of initial occupancy. All unfinished areas shall be screened so as to make the unfinished area invisible from the street or any adjoining lot or residence.

Every dwelling shall be entirely finished within one (1) year of the date construction begins, except for the 800 S.F. permitted herein. All other improvements shall be completed within ninety (90) days following commencement of construction.

Section 7. Placement of Structures, Setbacks, Siting: The location of any and all man-made structures is subject to the approval of the Architectural Control Committee. No dwellings, deck, porch, roof overhand or other portion of any structure may encroach into the area defined in the setback requirements contained in Municipal Ordinance Title 21, as amended from time to time, unless expressly requested and approved by the Architectural Control Committee.

Further, front yard setbacks are to be varied to avoid a uniform appearance and the Architectural Control Committee may require additional front yard setback requirements.

Section 8. Design and Finished Appearance of Buildings: The Developer of Devonshire Subdivision wishes

to create a superior residential neighborhood which exhibits a wide range of designs, appearances and colors, THEREFORE:

No set of building plans may be replicated or repeated within the subdivision unless the lots are separated by at least 300' along the street frontage. The Architectural Control Committee may waive this requirement only if there are significant changes in exterior elevations, construction materials and textures which make the similarity unnoticeable to the untrained eye.

A wide range of architectural designs are permissible, including but not limited to: Ranch-style, Split-level, New England or Traditional Colonial, Southern Colonial, Dutch Colonial, English Tudor, French Provincial, Contemporary, Modified A-Frame or Ultramodern designs. An equally wide range of roof styles and siding materials is permissible and encouraged.

The color of external materials will be generally subdued to blend with the colors of the natural landscape. Earth tones, generally muted, are recommended, although occasionally accent colors used judiciously and with restraint may be permitted. The subjective matter of approving colors is the responsibility of the Architectural Control Committee.

T-111 type wood siding is not acceptable on any portion of the exterior of any structure which faces an adjacent street, including corner lots.

All roofs shall be of material, color and texture approved by the Committee. No maximum or minimum pitch is specified, but approval by the Committee will be based on the visual impact of the roof on the lot or on neighboring lots, dwellings, roads and open spaces. The overall appearance of the dwelling will be an important consideration.

All projections including, but not limited to, chimney flues, vents, gutters, downspouts, utility boxes, porches, railings and exterior stairways shall match the color of the surface from which they project, or shall be of an approved color. Any building projection must be contained within any setback restrictions.

Visual impact of garage doors will be minimized by such measures as, but not limited to, siting of the dwelling, protective overhangs, or projections, special door facing materials or design and/or landscaping.

ARTICLE VI

ARCHITECTURAL CONTROL

Section 1. Architectural Control, Architectural Control Committee & Procedures. No building, structure, fence or other improvement (including regrading of the site) shall be constructed, placed, erected, re-painted, altered or made without the express approval of the Architectural Control Committee. Failure to obtain Architectural Control Committee approval prior to making an improvement to the land shall cause an Automatic Punitive Assessment to be levied in the amount of One Hundred Dollars (\$100.00) per day for each day following commencement of construction until Architectural Control Committee approval is delivered. The Architectural Control Committee may, in its sole

discretion, waive all or part of the Automatic Punitive Assessment as it deems fit.

Section 2. Architectural Control Committee Members. The Architectural Control Committee shall consist of three (3) members appointed by The Devonshire Homeowners Association. The committee shall have authority to review all proposals for the construction, alteration, placement, erection or making of any and all permanent or semi-permanent buildings, structures, fences or other site improvements on any lot, including landscaping and site grading. The committee may designate a representative for the purpose of carrying out its responsibilities. No member of the committee may be held personally liable for any action or inaction in connection with membership on the Architectural Control Committee.

Section 3. Procedures. Fifteen (15) days prior to the start of any construction activity, including clearing or grading a site, a complete application for review by the Architectural Control Committee shall be delivered to:

Devonshire Homeowners Association, Inc.
1013 East Dimond Boulevard, Suite 170
Anchorage, Alaska 99515

or such other place as may be designated from time to time by the Association.

The application shall include the name, address and telephone number of the landowner seeking approval and three (3) complete sets of specific plans showing the proposed sets of specific plans showing the proposed construction. The materials provided shall include at least:

- A. A site plan showing existing and proposed topography, site improvements and property lines;
- B. Building or structure plans, including all exterior elevations; and
- C. A schedule showing the type, color and texture of all materials visible from the property line and adjoining residences. Samples may be required to demonstrate the appearance of the proposed improvements.

Upon receipt of a submission, the Committee may request additional information deemed necessary in order to perform a proper review of the proposal.

Within fifteen (15) days of receipt of all necessary materials, the Committee shall act to approve or disapprove the proposal. In the event the Committee fails to notify the applicant within said fifteen (15) days, the proposal shall be deemed approved. Notification may be delivered orally, to be followed with written confirmation.

All applicants are hereby notified that approval may be subject to conditions requiring a change in the proposal (for instance, relocation of a structure, change in site grading or exterior siding, etc.), therefore absolutely no construction is permissible without express approval of the committee.

Committee review does not imply any review of the adequacy of the plans or specifications for strength, suitability or durability, including structural design. By approval of any proposal, there is no implication that the Committee or the Declarant have any liability or responsibility for the quality or sufficiency of the design.

All materials submitted to the Committee will be retained in the Architectural Control Committee files.

Upon completion of construction, the owner will provide an As-Built Survey to the Architectural Control Committee for retention of its files.

Any changes to the approved plans before, during or after the construction of any structure must first be submitted to the Committee for approval.

ARTICLE VII

MISCELLANEOUS PROVISIONS

Section 1. Fences. Subject to the approval of the Architectural Control Committee, fences may be constructed on any lot or tract. All fences must be properly maintained as an attractive addition to the lot. No fence is permitted in any front yard unless the Architectural Control Committee finds it will become an attractive addition to the neighborhood. Metal or chain-link fences are not permitted.

Section 2. Screenings. All utility areas, trash containers, machinery, equipment, service yards, wood piles, storage areas and other unsightly items shall be screened by sight-obscuring fences, earthen berms or screens so as to conceal them from the view of adjacent streets and lots and neighboring residences.

Section 3. Temporary Structures. No temporary structure, boat, truck, trailer, camper or recreation vehicle of any kind shall be used as living area while located on the project; however, trailers or temporary structures for use incidental to the initial construction of the improvements on the property may be maintained hereon; but shall be removed immediately upon completion of the residence.

Section 4. Vehicles. Extra vehicles, inoperable or otherwise, including but not limited to automobiles, or trucks not used at least twice weekly, campers, boats, recreational vehicles, snowmachines or other machinery shall be kept in a garage, other closed structure, or screened so that the item is not visible from the public streets, an adjoining lot, or a nearby house. The purpose of this provision is to keep unsightly or unused equipment out of sight.

Section 5. Nuisances. No noxious or offensive activity shall be carried on or upon any lot, nor shall anything be done thereon which may be, or may become, a nuisance, or cause unreasonable embarrassment, disturbance or annoyance to other owners in the enjoyment of their lots. No repair or restoration of any motor vehicle, boat, trailer, aircraft or other vehicle shall be permitted unless the activity is conducted in a properly enclosed or screened area.

No vehicles shall be parked or placed in a public right-of-way for more than twenty-four (24) hours. No vehicle or other equipment owned by a resident or owner shall be placed on a Public Street within the Subdivision for more than forty-eight (48) cumulative hours in any week.

No large commercial vehicles, vans, trucks or like equipment shall be parked, placed or used on any lot or street in any manner which creates a nuisance or unsightly condition.

Section 6. Pet Regulations. No animals, live-stock, or poultry shall be kept on any lot except that domestic dogs, cats, fish and birds inside bird cages may be kept as household pets, provided they are not kept, bred, or raised therein for commercial purposes in or unreasonable quantities. No vicious dog (as defined by the ordinances of the Municipality of Anchorage) shall be kept on any lot.

All pets shall be chained, fenced or otherwise restrained at all times. No pet shall be allowed to run freely.

Section 7. Rubbish. Trash, garbage or other waste shall be disposed of only by depositing same into designated trash containers. All trash containers must be screened. No lot shall be used or maintained as a dumping ground for rubbish. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. There shall be no exterior fires whatsoever, except barbeque fires contained within receptacles therefor.

Section 8. Access to Lot. Only one access driveway shall be permitted for each lot in the subdivision; however, two adjacent lots may share a common driveway.

Section 9. Signs. No sign of any kind shall be displayed to the public view on any lots, except one sign of not more than six (6) square feet advertising the property for sale or rent. All signs shall also comply with the then current zoning ordinance regulations applicable to signs.

Section 10. Maintenance and Installation. Every owner shall:

A. Maintain the dwelling, patio, outbuildings, fences and other site improvements in good condition and repair;

B. Maintain in attractive and viable condition landscaping and/or the natural flora on the lot and the adjacent unpaved public right-of-way;

C. Maintain the exterior surfaces of all dwellings, accessory structures and other site improvements in a workmanlike manner, using proper methods, materials and standards;

D. Remove snow and ice from sidewalks where sidewalks are adjacent to the lot; and

E. In the event an owner fails to perform in accordance with the requirements of this paragraph, the Association may hire contractors or others to perform the necessary services. The cost of those reasonable services

will become an assessment levied by the Association and the owner shall become liable for the costs incurred by the Association.

Section 11. Antennas. All roof and ground-mounted antennas for short-wave, "Ham", Citizen's Band, microwave, satellite dishes or other types of radio communications systems are prohibited, excepting Yagi TV reception antennas, unless specifically approved in writing by the Architectural Control Committee.

ARTICLE VIII

ANNEXATION OR EXPANSION

The original developer of the properties apparently contemplated that in addition to the lots herein described, additional real property would be subdivided and the additional lot owners would become members of a single homeowners association consisting of all owners of lots in the Devonshire Subdivisions. The land potentially to be included is as follows:

Devonshire Subdivision according to Plat 84-109 filed in the Anchorage Recording District, Third Judicial District, State of Alaska, excepting the property described at A) and B) at Page one hereof
(hereinafter future phase property).

The following limitations shall apply to any annexation or expansion of the Properties to include additional portions of the "Future Phase" property.

A. All or any portion of the "future phase" property may be annexed to the properties described herein and so add to the membership of the Association and the number of persons entitled to use and enjoy the "common area" upon written consent of fifty-one percent (51%) of the then owners of lots, so long as such annexation is generally in accordance with the restrictions of this Article.

B. The maximum number of Lots to be so created will not be greater than two hundred ninety (290), for a total of three hundred sixty (360) Lots in all phases.

C. Additional common area in the event of such annexation(s) will consist of the land in each particular Tract described above immediately contiguous to the Lots created from that Tract, but may include additional land that is presently part of the "future phase" property. The Lot Owners for the properties described herein, and each subsequent phase, will have the right to use and enjoy such common area as and when it has been conveyed to the Association.)

D. Owners of Lots subsequently annexed pursuant to this Article will be members of the Association and shall have all of the rights, privileges, easements and obligations of Lot Owners who became Owner prior to such annexation.

E. Annexation shall be deemed to have occurred when: (i) an amendment to this Declaration has been recorded identifying the real property annexed to the

"properties" and (ii) an appropriate conveyance of the common areas of the new phase to the Association has been recorded.

F. As and when an annexation has occurred, the "Owners" of Lots located within the "Properties" as expanded by such annexation will have the rights, privileges and obligations set forth herein or in the Bylaws of the Association and the assessment responsibilities hereinabove provided.

G. No improvement shall be constructed on any Lot in a future phase that is not compatible and harmonious in design, quality, exterior appearance, size and value with the improvements constructed on the properties described herein.

H. The consent provided for at IX A above may be conditioned upon placing further limitations on the voting rights of "Owners" of the annexed property so that control of the "Association" is maintained by Owners of Lots upon which a residence has been constructed and a Certificate of Occupancy duly issued.

IX

EVIDENCE OF OWNERSHIP AND REGISTRATION OF MAILING ADDRESS

Section 1. Proof of Ownership. Except for those owners who initially purchase a Lot from Declarant, any person or entity on becoming an Owner shall furnish to the Secretary of the Association and any Managing Agent a machine or a 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 Lot shall have one and the same registered mailing address to be used by the Association for 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 Agency 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 interest thereof.

ARTICLE X

PROFESSIONAL MANAGEMENT

The Association may employ an experienced professional management agent or manager with such duties and at such compensation as the Board of Directors of the Association shall authorize in accordance with this Declaration and the Bylaws of the Association. 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 in a duly constituted meeting. All

employment agreements for such management and any contract providing for services by the Declarant shall be in writing and shall contain provisions giving effect to the following:

A. The agreement shall be terminable by either party without cause and without payment of termination fee on ninety (90) days or less written notice and by the Association with cause upon five (5) days written notice.

B. The term of any such agreement may not exceed one year, although it may be renewable by the parties for successive one year terms.

ARTICLE XI

EASEMENTS

The easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible, or for those improvements for which the Association is responsible in accordance with this Declaration and as the same may be duly amended.

For the purpose of performing the maintenance, improvement and repair provided for in this Declaration, and for reasonable inspection in connection therewith, the Association and the duly authorized designees of either shall have the right, at reasonable times and upon reasonable notice, to enter upon any Lot or the exterior of any structure or improvement thereon, as well as the common area, and such activity by them or any of them shall give rise to no legal or equitable remedy against them or any of them, including an action for trespass. Each Owner agrees to permit such access within and under any building situated upon the Owner's Lot for inspection, alterations, repair, removal, utility shut-off and maintenance.

The "Association" has and shall have a non-exclusive easement for the operation, maintenance and repair of all underground utilities including water service lines, storm drain lines, sanitary sewer lines and landscape watering lines (if any) within the "Properties." Each Owner has a non-exclusive easement for and may use the common areas and facilities in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful right of the other Owners, excepting, however, any parts of the Common Area designated "Limited Common Area."

All conveyances of Lots hereafter made, whether by the Declarant, or otherwise, shall be construed to grant and reserve such reciprocal easements as shall give effect to the provisions hereof and of the Bylaws of the Association even though no specific reference to such easements appears in any such conveyance.

Without limitation to the foregoing, the "Association," its agents, employees and contractors, shall have the right to enter any Lot and the residence thereon constructed in case of any emergency originating in or threatening it or other residences, and to effect maintenance and repairs which an Owner is required to make but fails to make, and to maintain all improvements on the project, all regardless of

any present or future encroachment(s) of the common elements upon another Lot.

In the event that any portion of the common area encroaches upon any Lot, or any Lot or improvement thereon encroaches upon the common area, or any Lot encroaches upon any other Lot as a result of the construction, reconstruction, repair, shifting, settlement or movement of any portion of the Properties, a valid easement for the encroachment or the maintenance of same shall exist so long as the encroachment exists, even though no specific reference to such easement appears in a conveyance instrument. In this regard, no Owner shall maintain any action for removal of a party wall or projection or overhang created by construction, reconstruction or settling, nor any action for damages in connection with any of the foregoing.

ARTICLE XII

POWERS AND DUTIES OF ASSOCIATION

Section 1. Powers. In addition to any power specified herein, or in the Bylaws of the Association, or in its Articles of Incorporation, the Association, acting through its Board of Directors shall have all powers and authority authorized by law and not reserved to the membership by this Declaration, the Bylaws or the Articles of Incorporation.

Section 2. Duties. In addition to any other duties specified herein, in the Bylaws or in the Articles of Incorporation of the "Association," or reasonably implied from any of the foregoing, the Association acting through its Board of Directors shall have all duties specified by law and the following:

A. cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by twenty-five percent (25%) of the members who are entitled to vote;

B. supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

C. procure and maintain such policies of fire and hazard insurance included within the term "extended coverage" on improvements located on the "common area" and owned by the Association, as well as personal property owned by the Association, and adequate liability insurance in behalf of the Association, as may be reasonably required by institutional holders of first mortgages on any Lot, and in any event, 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 Lot owners from liabilities caused by acts and omissions of all officers, agents or employees of the Owners Association, and the condition of the common areas. Notwithstanding any other provisions herein, or in the Bylaws of the Owners Association, so long as the Federal National Mortgage Association or the Federal Housing Administration or the Veterans Administration or Alaska Housing Finance Corporation, or H.U.D. or insurer or guarantor, or their successors or assigns, is a mortgagee or beneficiary on a mortgage or Deed

of Trust constituting a lien on a Lot, or an Owner of a Lot, the Association will carry as a common expense, a master policy of 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, other mortgagees or other interested parties.

D. maintain adequate fidelity coverage to protect against dishonest acts on the part of the 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:

(1) all such fidelity bonds shall name the Association as an obligee; and

(2) 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 Planned Unit Development, including reserves; and

(3) 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 expression; and

(4) 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 the first mortgages or the designees thereof, as such holders are defined in the Declarations.

E. cause the Common Areas to be maintained in accordance with the Declarations.

ARTICLE XIII

PROTECTION OF MORTGAGEES

Section 1. Prior Written Approval. Anything herein or in the Bylaws notwithstanding, except upon prior written approval of the institutional holders of first mortgages or Deeds of Trust encumbering at least 75% of the individual "Lots" within the "Properties," neither the "Association" nor the "Owners" shall be entitled to:

A. By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the common area owned, directly or indirectly, by such Association, except that the Declarant and the Association shall have the right to grant and relocate easements for utilities and similar purposes as elsewhere provided in this Declaration.

B. Change the method of determining the obligations, assessments, dues or other charges which may be levied against a "Lot" or "Owner."

C. By act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of the exterior maintenance of the improvements (residences) constructed on Lots, the maintenance of the

common area, party walls or common fences and driveways, or the upkeep of lawns and plantings in the Properties.

D. Fail to maintain fire and extended coverage on insurable Common Area on a current replacement cost basis in an amount not less than 100% of the insurable value (based on current replacement cost).

E. Use hazard insurance proceeds for losses to any Common Area for other than the repair, replacement or reconstruction of such Common Area.

F. Materially amend this Declaration, the Bylaws of the Association or the Articles of Incorporation of the Association.

Section 2. Written Notice of Mortgagees. A holder or insurer (or designee) of a first mortgage on one or more Lots, upon written request to the Association (such request to state the name and address of such holder or insurer or designee and a legal description of the lot or lots) and the filing of a true copy of the mortgage with the Association, will be entitled to timely written notice of:

A. Any default in a Lot mortgagor's obligations under these Declarations, the Bylaws of the Owners Association or Articles of Incorporation thereof, not cured within thirty (30) days of the date of default and the mortgagee, at its option may pay any delinquent expenses.

B. Any damage to the Common Areas and related facilities that exceeds \$2,000.00 and any damage to a Lot covered by a first mortgage which damages exceed \$1,000.00.

C. All meetings of the Association and such mortgagees may designate a representative to attend all such meetings.

D. Any condemnation proceedings or proposed acquisition by eminent domain affecting the Properties.

Section 3. Information Available to Lienholders. The holders of first mortgages on one or more Lots shall have the right to examine the books and records of the Association and may, upon written request, require the submission of annual reports and other reasonably pertinent financial data to it and such holders shall determine what information is "reasonably pertinent"; provided, however, that any inspection of such books and records shall be during normal business hours. In any event, such holders of first mortgages shall be entitled to receive upon written request to the Association, an annual financial statement for the Association within 90 to 120 days following the end of any fiscal year of the Association.

Section 4. Priority on Damage or Destruction to Lot or Common Area. Anything herein or elsewhere to the contrary notwithstanding, no Owner of a Lot or other party will be entitled to any priority over a holder of a first mortgage on a Lot with respect to any distribution of any insurance proceeds, as a result of or interpretation of this Declaration or the Articles of Incorporation or Bylaws of the Association.

Section 5. Priority on Condemnation Proceeding. If any Lot or portion thereof or the Common Area or any

portion thereof is made the subject matter of any condemnation or eminent domain proceeding, no provision of this Declaration nor of the Bylaws of the Association nor of the Articles of Incorporation of the Association shall be deemed to entitle the Owner of a Lot or any other party to priority over a holder of a first mortgage on a Lot with respect to distribution of any award or settlement of such proceedings.

Section 6. Cure of Defaults. The institutional holders of first mortgages encumbering Lots may jointly or singly pay taxes or other charges which are in default and which may or have become a charge against the Common Area and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy for such Common Area and upon the making of such payments, such "institutional holder" shall be owed immediate reimbursement therefore from the Association.

ARTICLE XIV

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restrictions herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first thirty (30) year period by an instrument signed by not less than 60% of the members of the Association entitled to vote and thereafter by an instrument signed by not less than 51% of the members entitled to vote. Any amendment must be recorded.

Section 3. Binding Effect of Declarations, Bylaws and Articles of Incorporation of Owners' Association. All provisions of this Declaration, the Bylaws of the Owners' Association provided for herein, and the Articles of Incorporation of said Owners' Association provided for herein shall bind and be effective upon the Association, the Owners of all "Lots," their tenants, employees, contractors, and any and all other persons that may use or be on or about the "Properties," or any part of it, in any manner.

The failure of any "Owner" to comply with the provisions of this Declaration, the Bylaws of the Owners' Association provided for herein, or the Articles of Incorporation of the "Association," shall constitute a breach of contract, and shall give rise to a cause of action by the "Association" and any aggrieved Lot Owner for the recovery of damages or injunctive relief or both. Any such action may be brought by the Board of Directors of the Association in behalf of the Association or by the duly appointed Manager of the Properties in behalf of the Association.

Section 4. Severability. If any provision of this Declaration or the application thereof to any person or

circumstance is held invalid by Judgment or Court Order, the remaining provisions and their application to other persons, or to other circumstances shall not be affected thereby, and shall remain in full force and effect.

Section 5.. Conflict. In the case of any conflict between the Articles of Incorporation for the "Association," the Bylaws of the "Association" and these Declarations, the Declarations shall control first, then the Articles of Incorporation and then the Bylaws.

DATED at Anchorage, Alaska this 30th day of August, 1991.

DEVONSHIRE HOMEOWNERS ASSOCIATION, INC.

By: Lewis LeBlond
President

By: Mary J. Wladkowski
Secretary

CERTIFICATE OF OFFICERS

We, the undersigned, do hereby certify that:

1) we are the duly elected and acting President and Secretary of Devonshire Homeowners Association, Inc., an Alaska Non-Profit Corporation; and

2) the foregoing Amended and Restated Declaration of Covenants, Conditions and Restrictions of Devonshire Subdivision and Devonshire Subdivision, Addition No. 1, has been duly approved by the affirmative vote or written consent of Owners representing not less than sixty-six percent (66%) of lots in the Devonshire Subdivision, and by Owners of not less than sixty-six percent (66%) of lots 1 - 10 in Devonshire Subdivision, Addition No. 1.

IN WITNESS WHEREOF, we have subscribed our names and affixed the seal of the corporation this 30 day of August, 1991.

Lewis LeBlond
President

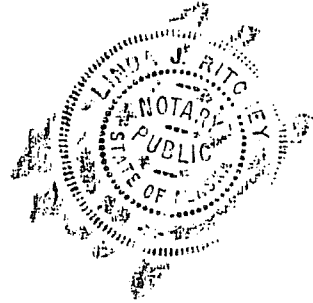
Mary J. Wladkowski
Secretary

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 30th day of August, 1991, before me, the undersigned Notary Public, personally appeared Lewis LeBlond and Mary Wladkowski, known to me to be the

President and Secretary, respectively, of Devonshire Homeowners Association, Inc., and who executed the foregoing instrument and acknowledged to me that they signed the same freely and voluntarily on behalf of said corporation by authority of the Board of Directors or Bylaws.

Linda J. Ritchey
Notary Public for Alaska
My Commission Expires: *July 10, 1995*





DEVONSHIRE

H O M E O W N E R S A S S O C I A T I O N

AMENDMENT TO COVENANTS, CONDITIONS AND RESTRICTIONS OF DEVONSHIRE SUBDIVISION

Voted and passed at Annual Meeting May 23, 1993

“For violations of Article VII, Miscellaneous Provisions of the Amended and Restated Declaration of Covenants, Conditions and Restrictions of Devonshire Subdivision and Devonshire Subdivision Addition No. 1 (hereinafter CC & R’s), the Board of Directors may impose a fine of up to Five Dollars (\$5.00) for each day a violation persists. Fines may not exceed a total of \$150.00 per section of Article VII cited as a violation, and may not exceed a total of \$825.00 for all sections cited as violations. In the event a property accumulates fines of at least \$150.00 within a 90 day period, the Board of Directors is further authorized and empowered to enforce the fine by filing a lien or liens against the property under the same terms and conditions set forth in Article IV of the CC & R’s. The Board of Directors, may in its sole discretion, waive all or part of the fines imposed under the condition. The Board of Directors is required to notify the owners of the violation within seven (7) days to correct. After seven days a notice will be sent with the imposed fine.”