

State of Alaska

Department of Commerce and Economic Development

Certificate

NONPROFIT CORPORATION

The undersigned, as Commissioner of Commerce and Economic Development of the State of Alaska, hereby certifies that duplicate originals of the Articles of Incorporation of

STONEGATE CONDOMINIUM OWNERS ASSOCIATION, INC.

have been received in this office and are found to conform to law.

ACCORDINGLY, the undersigned, as such Commissioner of Commerce and Economic Development, and by virtue of the authority vested in him by law, hereby issues the Certificate of Incorporation and attaches hereto a duplicate original of the Articles of Incorporation.



IN TESTIMONY WHEREOF, I execute this certificate and affix the Great Seal of the State of Alaska on July 22, 1986.

Eric H. Lonsbury

COMMISSIONER OF COMMERCE
AND ECONOMIC DEVELOPMENT



DATE 5-30-86
AMOUNT REC'D
917766
RECEIPT NO.
C8603748

Filed for Record
State of Alaska

JUL 22 1986

Department of Commerce and
Economic Development

ARTICLES OF INCORPORATION

OF

STONEGATE CONDOMINIUM OWNERS ASSOCIATION, INC.

In compliance with the requirements of A.S. 10.20.151, the undersigned all of whom are natural persons at least nineteen (19) years of age, do hereby adopt the following Articles of Incorporation for the purpose of forming a corporation not for profit:

ARTICLE I

The name of the corporation is STONEGATE CONDOMINIUM OWNERS ASSOCIATION, INC., hereafter called the "Association".

ARTICLE II

The initial registered office of the Association is located at 1305 Arctic Blvd., Suite 205, Anchorage, AK 99503.

ARTICLE III

The name of the initial registered agent at the initial registered office is: Property Management Services, Inc.

ARTICLE IV

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and control of the Condominium Units and Common Areas and Facilities within that certain tract of real property submitted to the Horizontal Property Regimes Act, as presently existing, or as may be hereafter amended, which real property is described

Tracts 2A and 2C STONEGATE TOWNHOUSE, ADDITION No. 3, according to Plat 74-126, records of the Anchorage Recording District, Third Judicial District, State of Alaska; and Lots One (1), Two (2), Three (3), Four (4), Five (5), Block Two (2), and Lot One (1) Block Three (3), STONEGATE TOWNHOUSE ADDITION No. 2, according to Plat 74-159, records of the Anchorage Recording District, Third Judicial District, State of Alaska; and Tract B, Block 1, STONEGATE TOWNHOUSE, according to Plat 75-25, records of the Anchorage Recording District, Third Judicial District, State of Alaska.

and to promote the health, safety and welfare of the residents and Owners of Condominium Units within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for this purpose to:

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A. Exercise all of the powers and privileges, and to perform all of the duties and obligations of the Association as set forth herein, in the Bylaws of the Association, and in that certain Declaration submitting the above-described property to the provisions of the Horizontal Property Regimes Act of the State of Alaska (hereinafter called the "Declaration", and recorded, or to be recorded, in the Anchorage District Recorder's Office, Third Judicial District, State of Alaska, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length.

B. Fix, Levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration, the Bylaws of the corporation, or law; to pay all expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association.

C. Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association.

D. Borrow Money.

E. Participate in mergers and consolidations and agreements with other non-profit corporations organized for the same purposes.

F. Have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Alaska by law may now or hereafter or exercise.

ARTICLE V

MEMBERSHIP AND VOTING RIGHTS

A. Every person or entity who is a record owner of a fee or undivided fee interest in any Condominium Unit which is subject to assessment by the Association shall be, and is, a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Condominium Unit which is subject to assessment by the Association. Ownership of a Condominium Unit shall be the sole qualification for membership.

B. The Association shall have one class of voting membership, and the weight of the vote of each member shall be determined in accordance with the percentage of undivided interest in the Common Areas and Facilities as set forth in the Declaration.

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ARTICLE VI

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of not less than five (5) Directors, who shall be members of the Association. The number of Directors shall be set in and may be changed by amendment to the Bylaws of the Association. The number of Directors constituting the initial Board shall be seven (7). The names and addresses of the persons who are to serve as the initial Directors are:

<u>NAME</u>	<u>ADDRESS</u>
Michael E. McGinnis	9588 Canton Loop, Anchorage, Alaska
Leslie Ward	9537 Liberty Circle, Anchorage, Alaska
Eleanor Hung	9595 Canton Loop, Anchorage, Alaska
Beth Hill	9571 Canton Loop, Anchorage, Alaska
Robert Gray	9598 Canton Loop, Anchorage, Alaska
Gregory Scott Ronzio	9444 Canton Loop, Anchorage, Alaska
James Guthrie	9551 Canton Loop, Anchorage, Alaska

ARTICLE VII

REGULATION OF INTERNAL AFFAIRS

The internal affairs of this corporation will be in accordance with its Bylaws.

ARTICLE VIII

DURATION

The corporation shall exist perpetually.

ARTICLE IX

AMENDMENTS

Amendments of these Articles shall require the assent of seventy-five percent (75%) of the entire membership.

JUN 18 RECD

ARTICLE X

The names and addresses of the incorporators of this corporation are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Michael E. McGinnis	9588 Canton Loop, Anchorage, Alaska
Leslie Ward	9537 Liberty Circle, Anchorage, Alaska
Eleanor Hung	9595 Canton Loop, Anchorage, Alaska
Beth Hill	9571 Canton Loop, Anchorage, Alaska
Robert Gray	9598 Canton Loop, Anchorage, Alaska
Gregory Scott Ronzio	9444 Canton Loop, Anchorage, Alaska
James Guthrie	9551 Canton Loop, Anchorage, Alaska

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AMENDED AND RESTATED
DECLARATION
OF
STONEGATE CONDOMINIUMS

AFTER RECORDATION RETURN TO:

James H. McCollum
Law Offices of James H. McCollum, LLC
510 L Street, Suite 540
Anchorage, Alaska 99501-1959

TABLE OF CONTENTS

ARTICLE I - Definitions 1

 Section 1.1 - Act 1

 Section 1.2 - Allocated Interests 1

 Section 1.3 - Association 2

 Section 1.4 - Bylaws 2

 Section 1.5 - Common Elements 2

 Section 1.6 - Common Expenses 2

 Section 1.7 - Common Interest Community 2

 Section 1.8 - Declarant 2

 Section 1.9 - Declaration 2

 Section 1.10 - Director 2

 Section 1.11 - Documents 2

 Section 1.12 - Eligible Insurer 2

 Section 1.13 - Eligible Mortgagee 3

 Section 1.14 - Executive Board 3

 Section 1.15 - Improvements 3

 Section 1.16 - Limited Common Elements 3

 Section 1.17 - Majority or Majority of Unit Owners 3

 Section 1.18 - Manager 3

 Section 1.19 - Notice and Comment 3

 Section 1.20 - Notice and Hearing 3

 Section 1.21 - Original Declaration 3

 Section 1.22 - Person 4

 Section 1.23 - Plans 4

 Section 1.24 - Plat 4

 Section 1.25 - Property 4

 Section 1.26 - Public Offering Statement 4

 Section 1.27 - Rules 4

 Section 1.28 - Security Interest 4

 Section 1.29 - Trustee 4

 Section 1.30 - Unit 4

 Section 1.31 - Unit Owner 4

ARTICLE II – Name and Type of Common Interest Community and Association 5

 Section 2.1 - Common Interest Community 5

 Section 2.2 - Association 5

ARTICLE III – Description of Land 5

ARTICLE IV – Maximum Number of Units; Boundaries 5

 Section 4.1 - Maximum Number of Units 5

 Section 4.2 - Boundaries 5

ARTICLE V – Limited Common Elements 6



ARTICLE VI – Maintenance, Repair and Replacement7
 Section 6.1 - Common Elements7
 Section 6.2 - Units7
 Section 6.3 - Access7
 Section 6.4 - Repairs Resulting From Negligence8
 Section 6.5 - No additional component or element may be attached without consent
 of the Executive Board8

ARTICLE VII – Development Rights and Other Special Declarant Rights8

ARTICLE VIII – Allocated Interests8
 Section 8.1 - Allocation of Interests8
 Section 8.2 - Formulas for the Allocation of Interests8

ARTICLE IX – Restrictions on Use; Alienation and Occupancy9
 Section 9.1 - Use and Occupancy Restrictions9
 Section 9.2 - Restrictions on Alienation10

ARTICLE X – Easements and Licenses10

ARTICLE XI – Allocation and Reallocation of Limited Common Elements11

ARTICLE XII – Additions, Alterations and Improvements11
 Section 12.1 - Additions, Alterations and Improvements by Unit Owners11
 Section 12.2 - Additions, Alterations and Improvements by Executive Board12
 Section 12.3 - Landscaping Within Limited Common Elements12

ARTICLE XIII – Relocation of Boundaries Between Adjoining Units13
 Section 13.1 - Application and Amendment13
 Section 13.2 - Recording Amendments13

ARTICLE XIV – Amendments to Declaration13
 Section 14.1 - General13
 Section 14.2 - Limitation of Challenges14
 Section 14.3 - Recordation of Amendments14
 Section 14.4 - When Unanimous Consent Required14
 Section 14.5 - Execution of Amendments14
 Section 14.6 - Consent of Holders of Security Interests14

ARTICLE XV – Amendments to Bylaws15

ARTICLE XVI - Termination15

ARTICLE XVII – Mortgagee Protection15
 Section 17.1 - Introduction15
 Section 17.2 - Percentage of Eligible Mortgagees15
 Section 17.3 - Notice of Actions15
 Section 17.4 - Consent Required16



Section 17.5 - Inspection of Books.....	18
Section 17.6 - Financial Statements.....	18
Section 17.7 - Enforcement.....	18
Section 17.8 - Attendance at Meetings.....	18
Section 17.9 - Appointment of Trustee.....	18
ARTICLE XVIII – Assessment and Collection of Common Expenses.....	19
Section 18.1 - Apportionment of Common Expenses.....	19
Section 18.2 - Common Expenses Attributable to Fewer Than All Units.....	19
Section 18.3 - Lien.....	19
Section 18.4 - Budget Adoption and Ratification.....	21
Section 18.5 - Ratification of Non-budgeted Common Expense Assessments.....	21
Section 18.6 - Certificate of Payment of Common Expense Assessments.....	21
Section 18.7 - Monthly Payment of Common Expenses.....	21
Section 18.8 - Acceleration of Common Expense Assessments.....	21
Section 18.9 - Commencement of Common Expense Assessments.....	21
Section 18.10 - No Waiver of Liability for Common Expenses.....	21
Section 18.11 - Personal Liability of Unit Owners.....	21
Section 18.12 – Capitalization of the Association.....	22
ARTICLE XIX – Right to Assign Future Income.....	22
ARTICLE XX – Persons and Units Subject to Documents.....	22
Section 20.1 - Compliance with Documents.....	22
Section 20.2 - Adoption of Rules.....	22
ARTICLE XXI - Insurance.....	22
Section 21.1 - Coverage.....	22
Section 21.2 - Property Insurance.....	23
Section 21.3 - Liability Insurance.....	24
Section 21.4 - Fidelity Bonds.....	25
Section 21.5 - Unit Owner Policies.....	25
Section 21.6 - Workers' Compensation Insurance.....	25
Section 21.7 - Directors' and Officers' Liability Insurance.....	25
Section 21.8 - Other Insurance.....	25
Section 21.9 - Premiums.....	25
ARTICLE XXII – Damage to or Destruction of Property.....	25
Section 22.1 - Duty to Restore.....	25
Section 22.2 - Cost.....	26
Section 22.3 - Plans.....	26
Section 22.4 - Replacement of Less Than Entire Property.....	26
Section 22.5 - Insurance Proceeds.....	26
Section 22.6 - Certificates by the Executive Board.....	27
Section 22.7 - Title Insurance Policies.....	27



ARTICLE XXIII – Rights To Notice And Comment; Notice And Hearing.....27

 Section 23.1 - Right to Notice and Comment.....27

 Section 23.2 - Right to Notice and Hearing.....27

 Section 23.3 - Appeals27

ARTICLE XXIV – Executive Board28

 Section 24.1 - Minutes of Executive Board Meetings.....28

 Section 24.2 - Powers and Duties28

 Section 24.3 - Executive Board Limitations.....29

ARTICLE XXV – Open Meetings.....29

 Section 25.1 - Access29

 Section 25.2 - Meetings and Notice of Meetings30

 Section 25.3 - Executive Sessions30

ARTICLE XXVI - Condemnation30

ARTICLE XXVII - Miscellaneous30

 Section 27.1 - Captions30

 Section 27.2 - Gender.....30

 Section 27.3 - Waiver.....30

 Section 27.4 - Invalidity.....30

 Section 27.5 - Conflict31



AMENDED AND RESTATED
DECLARATION
STONEGATE CONDOMINIUMS

WHEREAS, W. W. Wilson Construction, Inc., an Alaska corporation, as "Declarant" did execute that certain "Declaration Submitting Real Property to the Horizontal Property Regime" (formerly known as a "Horizontal Property Regimes Act (Title 34, Chapter 7, Alaska Statutes)" recorded June 13, 1965, in Book 26, at Pages 553 and successive pages in the Anchorage Recording District, Third Judicial District, State of Alaska, and as amended by "Amendment of Declaration submitting Real Property to the Horizontal Property Regime and to Bylaws of Association of Owners" dated August 18, 1976, and recorded August 20, 1976, in Book 124, at Page 909 and successive pages in Anchorage Recording District, Third Judicial District, State of Alaska, and as amended by Correction of "Amendment of Declaration submitting Real Property to the Horizontal Property Regime and to Bylaws of Association of Owners" recorded December 9, 1976, in Book 152, at Page 956 and successive pages in Anchorage Recording District, Third Judicial District, State of Alaska, and as amended by Statement of Declarant dated April 19, 1977, and recorded April 22, 1977, in Book 185, at Page 419, in Anchorage Recording District, Third Judicial District, State of Alaska, "Original Declaration."

WHEREAS, Declarant, Stonegate Condominium Owners Association, Inc., an Alaskan non-profit corporation, with an office at 650 W. International, Suite 200, Anchorage, Alaska 99518, desires to operate with documents that reflect submission to, and adoption of the Common Interest Ownership Act ("Act") and to remove contradictions and inconsistencies between the Act and the original Declaration. Accordingly, Declarant does hereby submit the real property in Anchorage, Alaska to the provisions of the Common Interest Ownership Act, Title 34, Chapter 8, of the Alaska Statutes as described in Schedule A-1 and in the previously recorded Plat and Plans as follows: Plat No. 75-78 (Phase I) recorded June 13, 1975, and also Plat No. 76-290 (Phase II) recorded December 9, 1976, in the Anchorage Recording District, Third Judicial District, State of Alaska.

ARTICLE I

Definitions

In the Documents, the following words and phrases shall have the following meanings:

Section 1.1 - Act. The Uniform Common Interest Ownership Act, AS 34.08 of the Alaska Statutes as it may be amended from time to time.

Section 1.2 - Allocated Interests. The undivided interest in the Common Elements, the Common Expense liability, and votes in the Association allocated to Units in the Common Interest Community. The Allocated Interests are described in Article VIII of this Declaration and shown on Schedule A-2.



Section 1.3 - Association. Stonegate Condominiums Owners Association, Inc., a non-profit corporation organized under Title 10, Chapter 20 of the statutes of the State of Alaska. It is the Association of Unit Owners pursuant to Section 34.08.310 of the Act.

Section 1.4 - Bylaws. The Amended Restated Bylaws of the Association, as they may be amended from time to time and attached as Schedule A-4 to this Declaration.

Section 1.5 - Common Elements. Each portion of the Common Interest Community other than a Unit.

Section 1.6 - Common Expenses. The expenses or financial liabilities for the operation of the Common Interest Community. These include:

- (i) Expenses of administration, maintenance, repair or replacement of the Common Elements;
- (ii) Expenses declared to be Common Expenses by the Documents or by the Act;
- (iii) Expenses agreed upon as Common Expenses by the Association; and
- (iv) Such reasonable reserves as may be established by the Association, whether held in trust or by the Association, for repair, replacement or addition to the Common Elements or any other real or personal property acquired or held by the Association.

Section 1.7 - Common Interest Community. The real property described in Schedule A-1, subject to the Declaration of Stonegate Condominiums.

Section 1.8 - Declarant. Stonegate Condominium Owners Association Inc., an Alaskan non-profit corporation or its successor as defined in Subsection 34.08.990(12) of the Act.

Section 1.9 - Declaration. This document, including any amendments.

Section 1.10 - Director. A member of the Executive Board.

Section 1.11 - Documents. The Declaration recorded and filed pursuant to the provisions of the Act, the Bylaws, and the Rules as they may be amended from time to time and the previously recorded Plat and Plans as described in Schedule A-3 to the Declaration. Any exhibit, schedule, or certification accompanying a Document is a part of that Document.

Section 1.12 - Eligible Insurer. An insurer or guarantor of a first Security Interest in a Unit which has notified the Association in writing of its name and address and that it has insured or guaranteed a first Security Interest in a Unit. Such notice shall be deemed to include a request that the eligible insurer be given the notices and other rights described in Article XVII.



Section 1.13 - Eligible Mortgagee. The holder of a first Security Interest in a Unit which has notified the Association, in writing, of its name and address, and that it holds a first Security Interest in a Unit. Such notice shall be deemed to include a request that the Eligible Mortgagee be given the notices and other rights described in Article XVII.

Section 1.14 - Executive Board. The board of directors of the Association.

Section 1.15 - Improvements. Any construction, structure, fixture or facilities existing or to be constructed on the land included in the Common Interest Community, including but not limited to, buildings, trees and shrubbery planted by the Declarant, a Unit Owner or the Association, paving, utility wires, pipes, and light poles.

Section 1.16 - Limited Common Elements. The portion of the Common Elements allocated for the exclusive use of one or more but fewer than all of the Units by the Declaration or by operation of Subsections (2) and (4) of Section 34.08.100. The Limited Common Elements in the Common Interest Community are described in Article V of this Declaration.

Section 1.17 - Majority or Majority of Unit Owners. The owners of more than fifty percent (50%) of the votes in the Association.

Section 1.18 - Manager. A person, firm or corporation employed or engaged to perform management services for the Common Interest Community and the Association.

Section 1.19 - Notice and Comment. The right of a Unit Owner to receive notice of an action proposed to be taken by or on behalf of the Association, and the right to comment thereon. The procedures for Notice and Comment are set forth in Section 23.1 of this Declaration.

Section 1.20 - Notice and Hearing. The right of a Unit Owner to receive notice of an action proposed to be taken by the Association, and the right to be heard thereon. The procedures for Notice and Hearing are set forth in Section 23.2 of this Declaration.

Section 1.21 - Original Declaration. "Declaration Submitting Real Property to the Horizontal Property Regime" (formerly known as a "Horizontal Property Regimes Act (Title 34, Chapter 7, Alaska Statutes)" recorded June 13, 1965, in Book 26, at Pages 553 and successive pages in the Anchorage Recording District, Third Judicial District, State of Alaska, and as amended by "Amendment of Declaration submitting Real Property to the Horizontal Property Regime and to Bylaws of Association of Owners" dated August 18, 1976, and recorded August 20, 1976, in Book 124, at Page 909 and successive pages in the Anchorage Recording District, Third Judicial District, State of Alaska, and as amended by Correction of "Amendment of Declaration submitting Real Property to the Horizontal Property Regime and to Bylaws of Association of Owners" recorded December 9, 1976, in Book 152, at Page 956 and successive pages in the Anchorage Recording District, Third Judicial District, State of Alaska, and as amended by Statement of Declarant dated April 19, 1977, and recorded April 22, 1977, in Book 185, at Page 419 in the Anchorage Recording District, Third Judicial District, State of Alaska.

Section 1.22 - Person. An individual, corporation, business trust, estate, trust, partnership, association, joint venture, government, government subdivision or agency, or other legal or commercial entity.

Section 1.23 - Plans. The Plat and Plans referred to in the Declaration are those previously recorded and contained within Plat No. 75-78 (Phase I) recorded June 13, 1975, and Plat No. 76-290 (Phase II) recorded December 9, 1976, in the Anchorage Recording District, Third Judicial District, State of Alaska.

Section 1.24 - Plat. The Plat and Plans referred to in the Declaration are those previously recorded and contained in Plat No. 75-78 (Phase I) recorded June 13, 1975, and Plat No. 76-290 (Phase II) recorded December 9, 1976, in the Anchorage Recording District, Third Judicial District, State of Alaska.

Section 1.25 - Property. The land, all Improvements, easements, rights and appurtenances, which have been submitted to the provisions of the Act by this Declaration.

Section 1.26 - Public Offering Statement. The current document prepared pursuant to 34.08.530 of the Act as it may be amended from time to time, and provided to purchasers prior to the time of execution of a purchase agreement.

Section 1.27 - Rules. Rules for the use of Units and Common Elements and for the conduct of persons within the Common Interest Community, adopted by the Executive Board pursuant to this Declaration.

Section 1.28 - Security Interest. An interest in real estate or personal property, created by contract or conveyance, which secures payment or performance of an obligation. The term includes a lien created by a mortgage, deed of trust, trust deed, security deed, contract for deed, land sales contract, lease intended as security, assignment of lease or rents intended as security, pledge of an ownership interest in the Association, and any other consensual lien or title retention contract intended as security for an obligation.

Section 1.29 - Trustee. The entity which may be designated by the Executive Board as the Trustee for the receipt, administration, and disbursement of funds derived from insured losses, condemnation awards, special assessments for uninsured losses, and other like sources as defined in the Bylaws. If no Trustee has been designated, the Trustee will be the Executive Board from time to time constituted, acting by majority vote, as executed by the president and attested by the secretary.

Section 1.30 - Unit. A physical portion of the Common Interest Community designated for separate ownership or occupancy, the boundaries of which are described in Section 4.2 of this Declaration.

Section 1.31 - Unit Owner. The Declarant or other Person who owns a Unit. Unit Owner does not include a Person having an interest in a Unit solely as security for an obligation. The Declarant is the initial owner of any Unit created by this Declaration.



ARTICLE II

Name and Type of Common Interest Community and Association,

Section 2.1 - Common Interest Community. The name of the Common Interest Community is Stonegate Condominiums.

Section 2.2 - Association. The name of the Association is Stonegate Condominiums Owners Association., Inc.

ARTICLE III

Description of Land

The entire Common Interest Community is situated in the Anchorage Recording District, Third Judicial District, State of Alaska and is located on land described in Schedule A-1.

ARTICLE IV

Maximum Number of Units; Boundaries

Section 4.1 - Maximum Number of Units.

(a) The entire Common Interest Community consists of one-hundred-and-four (104) Units located in eighteen (18) buildings. Of the eighteen (18) buildings, there are six (6) eight-plex buildings, four (4) six-plex buildings and eight (8) four-plex buildings.

(b) The buildings are wood frame construction with wood siding, asphalt roofing with concrete block foundation.

Section 4.2 - Boundaries. Boundaries of each Unit created by the Declaration are shown on the Plat and Plans as numbered Units with their identifying number and are described as follows:

(a) Upper Boundary: The horizontal or sloping plane or planes of the unfinished lower surfaces of the ceiling bearing structure surfaces, beams, and rafters and of closed fireplace dampers, extended to an intersection with the vertical perimeter boundaries.

(b) Lower Boundary: The horizontal plane or planes of the undecorated or unfinished upper surfaces of the floors, extended to an intersection with the vertical perimeter boundaries and open horizontal unfinished surfaces of trim, sills, and structural components.

(c) Vertical Perimeter Boundaries: The planes defined by the inner surfaces of the studs and framing of the perimeter walls; the unfinished inner surfaces of poured concrete walls; the unfinished surfaces of the interior trim, fireplaces, and thresholds along perimeter walls and floors; the unfinished exterior surfaces of closed windows and closed perimeter doors; and the innermost



unfinished planes of all interior bearing studs and framing of bearing walls, columns, bearing partitions, and partition walls between separate Units.

(d) Inclusions: Each Unit will include the spaces and Improvements lying within the boundaries described in Sections 4.2(a), 4.2(b), and 4.2(c), above, and will also include the spaces and the Improvements within such spaces containing any heating, water heating apparatus, smoke detector systems and all electrical switches, wiring, pipes, ducts, conduits, smoke detector system and television, telephone, and electrical receptacles and light fixtures and boxes serving that Unit exclusively, the surface of the foregoing being the boundaries of such Unit, whether or not such spaces are contiguous.

(e) Exclusions: Except when specifically included by other provisions of Section 4.2, the following are excluded from each Unit: The spaces and Improvements lying outside of the boundaries described in Sections 4.2(a), 4.2(b), and 4.2(c), above; and all chutes, pipes, flues, ducts, wires, conduits, and other facilities running through or within any interior wall or partition for the purpose of furnishing utility and similar services to other Units and Common Elements or both.

(f) Inconsistency with Plans: If this definition is inconsistent with the Plans, then this definition will control.

ARTICLE V

Limited Common Elements

The following portions of the Common Elements are Limited Common Elements assigned to the Units as stated:

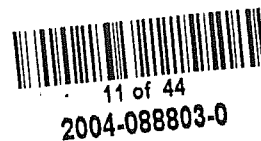
(a) If a chute, flue, pipe, duct, wire, conduit, bearing wall, bearing column, or other fixture lies partially within and partially outside the designated boundaries of a Unit, the portion serving only the Unit is a Limited Common Element, allocated solely to the Unit, the use of which is limited to that Unit, and any portion thereof serving more than one Unit or a portion of the Common Elements is a part of the Common Elements.

(b) Any front steps and porches designed to serve a single Unit that are located outside the boundaries of the Unit are Limited Common Elements allocated exclusively to the Unit and their use is limited to that Unit.

(c) Chimneys and the flue thereof will be Limited Common Elements allocated to the unit containing the fireplace.

(d) Driveways, the use of which is limited to the Unit as shown on the Plat and Plans.

(e) Walkways leading to the front porch of the Unit, the use of which is limited to the Unit as shown on the Plat and Plans.



(f) Yards adjacent to each Unit, the use of which is limited to the Unit as shown on the Plat and Plans

(g) Exterior surfaces, trim, and siding will be Limited Common Elements allocated to the Units sheltered.

(h) Address number and exterior lighting affixed to the building will be Limited Common Elements allocated to the Units served.

ARTICLE VI

Maintenance, Repair and Replacement

Section 6.1 - Common Elements. The Association shall maintain, repair and replace all of the Common Elements. Certain Limited Common Elements are required by this Declaration to be maintained, repaired or replaced by the Unit Owners. Common Expenses associated with the cleaning, maintenance, repair or replacement of Limited Common Elements which are not the specific maintenance responsibility of a Unit or a maintenance expense of the Association and which is to be specifically assessed to the Unit Owner or Owners to whose Unit the Limited Common Element is appurtenant will be assessed against all Units in accordance with their Allocated Interests in the Common Expenses. If any Limited Common Element is assigned to more than one Unit, the Common Expenses attributable to the Limited Common Element will be assessed and shared equally among the Units to which it is assigned.

(a) Certain Limited Common Elements to be maintained by the Association. The Association shall maintain, repair, and replace all items in Article V (a) through (h), except for Item (c). Damage caused by neglect of owners will be charged to Unit Owners.

(b) Maintenance, Repair, and Replacement Obligations of Unit Owners with Respect to Certain Limited Common Elements. All fencing enclosing the Limited Common Element yard areas and privacy fences separating Limited Common Element yard areas from an adjacent street or property on the boundary of the Stonegate Condominiums project shall be maintained by the Homeowner's Association. Unit Owners are responsible for the maintenance, repair, and replacement of the areas located within their Limited Common area exclusive to their Unit. Maintenance of the fenced portion of the lawn and the shrubs and trees located thereon shall be performed in accordance with standards promulgated and provided to Unit Owners from time to time by the Executive Board. Each Unit Owner shall be responsible for removing all snow, cut grass, leaves, dirt, and debris from the porch and fenced portions of the yard which are Limited Common Elements appurtenant to his or her Unit.

Section 6.2 - Units. Each Unit Owner shall maintain, repair and replace, at his or her own expense, all portions of his or her Unit.

Section 6.3 - Access. Any person authorized by the Executive Board shall have the right of access to all portions of the Property for the purpose of correcting any condition threatening a Unit



or the Common Elements, and for the purpose of performing installations, alterations or repairs, and for the purpose of reading, repairing, replacing utility meters and related pipes, valves, wires and equipment, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the affected Unit Owner. In case of an emergency, no such request or notice is required and such right of entry shall be immediate, whether or not the Unit Owner is present at the time.

Section 6.4 - Repairs Resulting From Negligence. Each Unit Owner will reimburse the Association for any damages to any other Unit or to the Common Elements caused intentionally or negligently by the Unit Owner or by his or her failure to properly maintain, repair or make replacements to his or her Unit. The Association will be responsible for damage to Units caused intentionally or negligently by the Association or by its failure to maintain, repair or make replacements to the Common Elements. If such expense is caused by misconduct, it will be assessed following Notice and Hearing.

Section 6.5 - No additional component or element may be attached without consent of the Executive Board. No additional component or element may be attached to any Common Element without the written consent of the Executive Board. In the event that any additional component or element of a Limited Common Element attached thereto by the Unit Owner becomes deteriorated or unsightly or is inconsistent with conditions of installation it may be removed or repaired at the Unit Owner's expense as a Common Expense Assessment under this section, after Notice and Hearing.

ARTICLE VII

Development Rights and Other Special Declarant Rights

At the time this Restated Declaration is recorded, it is not contemplated that any Limited Common Elements will be subsequently allocated.

ARTICLE VIII

Allocated Interests

Section 8.1 - Allocation of Interests. The table showing Unit numbers and their Allocated Interests is attached as Schedule A-2. These interests have been allocated in accordance with the formulas set out in this Article VIII.

Section 8.2 - Formulas for the Allocation of Interests. The Interests allocated to each Unit have been calculated on the following formulas:

(a) Undivided Interest in the Common Elements. Each Unit in the Common Interest Community shall have an equal percentage of the undivided interest in the Common Elements.

(b) Liability for the Common Expenses. Each Unit in the Common Interest Community shall have an equal percentage of liability for Common Expenses. Nothing contained in this



Subsection shall prohibit certain Common Expenses from being apportioned to particular Units under Article XVIII of this Declaration.

(c) Votes. Each Unit in the Common Interest Community shall have one equal Vote. Any specified percentage, portion or fraction of Unit Owners, unless otherwise stated in the Documents, means the specified percentage, portion, or fraction of all of the votes as allocated in Schedule A-2.

ARTICLE IX

Restrictions on Use, Alienation and Occupancy

Section 9.1 - Use and Occupancy Restrictions. The following use restrictions apply to all Units and to the Common Elements:

(a) Each Unit is restricted to residential use as a single-family residence including home professional pursuits not requiring regular visits from the public or unreasonable levels of mail, shipping, trash or storage.

(b) No sign indicating commercial or professional uses may be displayed outside a Unit, except a sign of customary and reasonable dimension indicating the Unit is for rent or sale. A single-family residence is defined as a single housekeeping unit, operating on a non-profit, non-commercial basis between its occupants, cooking and eating with a common kitchen and dining area, with no more permanent occupants than two per bedroom as designated on the plans on file with the building official of the Municipality of Anchorage.

(c) Any vehicle parked in the driveway must be properly licensed and in operating condition.

(d) The use of Units and Common Elements is subject to the Bylaws, Rules of the Association and all other governmental authorities with respect to occupancy and use of a Unit.

(e) No Unit may be leased except by written leases in excess of six months. Each lease will be filed with the Association, and written notice given of commencement and termination of possession. Each lease will incorporate the terms and restrictions of the Documents as a personal obligation of the tenant. Each lease will attorn to the Association as landlord solely for the purpose of enforcing the restrictions of the Documents following Notice and Hearing to the Unit Owner/landlord, and an opportunity to cure the violation, and then by direct levy, injunction and/or eviction by summary process, against the tenant. The Association will not otherwise assume the responsibilities or obligations of the landlord. The Association will have the right and power to exercise the landlord's rights of summary eviction against any tenant of the Unit Owner who violates the restrictions of the Documents, provided the landlord has received Notice and Hearing and is given a reasonable opportunity to cure the violation following the Hearing. A copy of all written occupancy agreements conforming to the foregoing requirements shall be submitted to the Executive Board to verify compliance with these requirements.



(f) No noxious or offensive activities (including, but not limited to, the repair of automobiles) shall occur on the property. No horns, whistles, bells or any other sound devices may be installed in or on a Unit, except security devices used exclusively to protect the security of a Unit and its contents. The Board of Directors shall determine if any noise or activity producing noise constitutes a nuisance.

(g) No basketball standards or fixed sports apparatus shall be attached to any Unit without prior written approval of the Board of Directors.

(h) No animals, livestock or poultry shall be kept on the property, except domestic dogs and cats of gentle disposition. Fish and birds inside bird cages may also be kept within any Unit as household pets provided they are not raised therein for commercial purposes. No more than two (2) domestic animals are permitted per Unit and all household pets including pets belonging to guests and invitees, shall be maintained in an enclosure or on a leash. All exterior pet enclosures are subject to the approval of the Board of Directors. Unit Owners shall be liable for damage or injury to persons or property caused by their pets or their invitee's pets.

(i) No temporary structures, boats, trucks, trailers, camper or recreation vehicles of any kind shall be used as a living area while located on the property.

(j) Trash, garbage and waste shall be disposed of in trash bags or two (2), thirty (30) gallon capacity trash cans. Trash cans are to be kept in the Unit garage or fenced backyard except for twelve (12) hours before and after scheduled trash pick up times. After scheduled trash pickup trash cans must be returned into the garage or fenced back yard. No trash is to be incinerated on the property.

(k) No trees may be removed from the property without written consent from the Board of Directors. It is the intent of this provision that all Unit owners shall endeavor to maintain the trees and natural surroundings of the common interest community.

(l) No Unit Owner may perform any work that will jeopardize the safety of the property, reduce its value or impair any easement or hereditament, without first obtaining the consent of one hundred percent (100%) of the Unit Owners and one hundred percent (100%) of First Mortgage holders.

Section 9.2 - Restrictions on Alienation. A Unit may not be conveyed pursuant to a time-sharing plan. A Unit, other than a Unit owned by Declarant, may not be leased or rented for a term of less than six (6) months. All leases and rental agreements shall be in writing and subject to the requirements of the Documents.

ARTICLE X

Easements and Licenses

All easements or licenses to which the Common Interest Community is presently subject to are recited in Schedule A-1 to this Declaration. In addition, the Common Interest Community may



be subject to other easements or licenses granted by the Declarant pursuant to its powers under Article VII of this Declaration.

ARTICLE XI

Allocation and Reallocation of Limited Common Elements

A Common Element not previously allocated as a Limited Common Element may be so allocated only pursuant to provisions in Article 23.2 of the Declaration. The allocations will be made by amendments to the Declaration, specifying to which Unit or Units the Limited Common Element is located.

All amendments shall specify to which Unit or Units the Limited Common Element is allocated.

No Limited Common Element depicted on the Plat or Plans may be reallocated by an amendment to this Declaration except pursuant to this Article XI or as part of a relocation of boundaries of Units pursuant to Article XIII of this Declaration.

Such amendment shall require the approval of all holders of Security Interests in the affected Units, which approval shall be endorsed thereon. The person executing the amendment shall provide an executed copy thereof to the Association, which, if the amendment complies with the provisions of this Declaration and the Act, shall record it. The amendment shall contain words of conveyance and must be recorded and indexed in the names of the parties and the Common Interest Community.

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

ARTICLE XII

Additions, Alterations and Improvements

Section 12.1 - Additions, Alterations and Improvements by Unit Owners.

(a) No Unit Owner will make any structural addition, structural alteration, or structural improvement in or to the Common Interest Community without the prior written consent thereto of the Executive Board in accordance with Subsection 12.1(c).

(b) Subject to Subsection 12.1(a), a Unit Owner:

(i) May make any other Improvements or alterations to the interior of his Unit that do not impair the structural integrity or mechanical systems or lessen the support of any portion of the Common Interest Community;



- (ii) May not change the appearance of the Common Elements, or the exterior appearance of a Unit or any other portion of the Common Interest Community, without permission of the Association;
- (iii) After acquiring an adjoining Unit or an adjoining part of an adjoining unit, may remove or alter any intervening partition or create apertures therein, even if the partition in whole or in part is a Common Element, if those acts do not impair the structural integrity or mechanical systems or lessen the support of any portion of the Common Interest Community. Removal of partitions or creation of apertures under this subsection is not an alteration of boundaries.

(c) A Unit Owner may submit a written request to the Executive Board for approval to do anything that he or she is forbidden to do under Subsection 12.1(a) or 12.1(b). The Executive Board shall answer any written request for such approval, after Notice and Hearing, within sixty (60) days after the request thereof. Failure to do so within such time shall not constitute consent by the Executive Board to the proposed action. The Executive Board shall review requests in accordance with the provisions of its rules.

(d) Any applications to any department or to any governmental authority for a permit to make any addition, alteration or improvement in or to any Unit shall be executed by the Association only. Such execution will not, however, create any liability on the part of the Association or any of its members to any contractor, sub-contractor or materialman on account of such addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

(e) All additions, alterations and Improvements to the Units and Common Elements shall not, except pursuant to prior approval by the Executive Board, cause any increase in the premiums of any insurance policies carried by the Association or by the owners of any Units other than those affected by such change.

The provisions of this Section shall not apply to the Declarant in the exercise of any Special Declarant Right.

Section 12.2 - Additions, Alterations and Improvements by Executive Board. Subject to the limitations of Sections 18.4 and 18.5 of this Declaration, the Executive Board may make any additions, alterations or Improvements to the Common Elements which, in its judgment, it deems necessary.

Section 12.3 - Landscaping Within Limited Common Elements. Unit Owners may make exterior Improvements within or as a part of Limited Common Elements constituting yards to include planting of gardens, hedges, shrubs, walks, benches, and architectural conceits, provided they are undertaken with the permission of the Executive Board or a covenants control committee established for such purpose, if any, following submission of complete set(s) of plans, to include a lot site plan drawn to scale that shows all existing and proposed improvements, prepared by an architect, landscape architect or other individual approved by the Executive Board or Committee

and a review by such Board or Committee as to consistency with Improvements originally constructed by the Declarant, and consistent with the style and character of the Common Interest Community. No approval will be awarded without Notice and Comment given to the Unit owners. It is the intent to provide for limited individualization of the appearance of the yards while retaining a style and character consistent with the Common Interest Community.

The applicant will pay for the cost of preparation of the application, the cost of professional review, if deemed required by the review entity, and all costs of permits and fees.

ARTICLE XIII

Relocation of Boundaries Between Adjoining Units

Section 13.1 - Application and Amendment.

(a) There shall be no relocation of boundaries between adjoining Units or subdivision of any Units without the written consent of one hundred percent (100%) of all Unit Owners and one hundred percent (100%) of all first mortgagees in the common interest community. Subject to obtaining said approval, any relocation of boundaries shall also be subject to obtaining any structural changes and required permits pursuant to Article XII.

(b) The application to the Association by the owners of adjoining Units seeking a reallocation between their Units of their Allocated Interests, shall state the proposed reallocations. The boundaries between adjoining Units may be relocated by an amendment to the Declaration. The amendment must be executed by those Unit Owners and contain words of conveyance between them, and the approval of all holders of Security Interests in the affected Units shall be endorsed thereon. On recordation, the amendment shall be indexed in the name of the grantor and the grantee, and in the grantee's index in the name of the Association.

Section 13.2 - Recording Amendments. The Association shall prepare and record Plats or Plans necessary to show the altered boundaries between adjoining Units, and their dimensions and identifying numbers.

The applicants will pay for the costs of preparation of the amendment, Plat and Plans recording costs, and the reasonable consultant fees of the Association if it is deemed necessary to employ a consultant by the Executive Board.

ARTICLE XIV

Amendments to Declaration

Section 14.1 - General. Except in cases of amendments that may be executed by the Association under Article XI of this Declaration and Section 34.08.740 of the Act, or by certain Unit Owners under Article XI and Section 13.1 of this Declaration and 34.08.260 of the Act, and except as limited by Section 14.4 and Article XVII of this Declaration, this declaration, including the Plat and Plans, may be amended only by vote or agreement of Unit Owners of Units to which at



least seventy-five percent (75%) of the votes in the Association are allocated. Provided, however that the written approval of one hundred percent (100%) of first mortgagee holders on all Units shall be required for any amendment of a material provision of this Declaration, including but not limited to:

- (i) Termination of the condominium status of the project, except for termination under Section 34.08.360 of the Act.
- (ii) Partition or subdivision of any Unit or Common Element.
- (iii) Changes in the percentage interests in the Unit owners.
- (iv) Removal of all or any portion of the property from the provisions of the Alaska Uniform Common Interest Ownership Act.
- (v) Material amendment to the Bylaws of the Owners Association.

Section 14.2 - Limitation of Challenges. An action to challenge the validity of an amendment adopted by the Association pursuant to this Article may not be brought more than one (1) year after the amendment is recorded.

Section 14.3 - Recordation of Amendments. Each amendment to the Declaration must be recorded and the amendment is effective only upon recording. An amendment, except an amendment pursuant to Article XIII of this Declaration, must be indexed in the grantee's index in the name of the Common Interest Community and the Association and in the name of the parties executing the amendment.

Section 14.4 - When Unanimous Consent Required. Except to the extent expressly permitted or required by other provisions of the Act and this Declaration, an amendment may not increase the number of Units, change the boundaries of a Unit, the Allocated Interests of a Unit, or the uses to which a Unit is restricted, in the absence of unanimous consent of the Unit Owners.

Section 14.5 - Execution of Amendments. An amendment to the Declaration required by the Act to be recorded by the Association, which have been adopted in accordance with this Declaration and the Act, must be prepared, executed, recorded and certified on behalf of the Association by an officer of the Association designated for that purpose or, in the absence of designation, by the president of the Association.

Section 14.6 - Consent of Holders of Security Interests. Amendments are subject to the consent requirements of Article XVII.



ARTICLE XV

Amendments to Bylaws

The Bylaws may be amended modified or revoked from time to time by vote of the members of the Association whose aggregate interest in the Common Elements constitutes seventy-five percent (75%), following Notice and Comment to all Unit Owners, at any meeting duly called for such purpose.

ARTICLE XVI

Termination

Termination of the Common Interest Community may be accomplished only in accordance with Section 34.08.260 of the Act.

ARTICLE XVII

Mortgagee Protection

Section 17.1 - Introduction. This Article establishes certain standards and covenants which are for the benefit of the holders, insurers and guarantors of certain Security Interests. This Article is supplemental to, and not in substitution for, any other provisions of the Documents, but in the case of conflict, this Article shall control.

Section 17.2 - Percentage of Eligible Mortgagees. Wherever in this Declaration the approval or consent of Eligible Mortgagees is required, it shall mean the approval or consent of one hundred percent (100%) of Eligible Mortgagees holding Security Interests in Units.

Section 17.3 - Notice of Actions.

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

- (i) Any condemnation loss or any casualty loss exceeding ten thousand dollars (\$10,000) which affects a portion of the Common Interest Community or any Unit in which there is a first Security Interest held, insured, or guaranteed by such Eligible Mortgagee or Eligible Insurer, as applicable;
- (ii) Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association;
- (iii) Any proposed action which would require the consent of a specified percentage of Eligible Mortgagees as specified in Section 17.4; and
- (iv) Any judgment rendered against the Association.



(b) The Association's attorney shall give prompt written notice to each Eligible Mortgagee and Eligible Insurer of any delinquency in the payment of Common Expense assessments owed by an Owner whose Unit is subject to a first Security Interest held, insured, or guaranteed, by such Eligible Mortgagee or Eligible Insurer, which remains uncured for a period of ninety (90) days.

Section 17.4 - Consent Required.

(a) Document Changes. Notwithstanding any lower requirement permitted by this Declaration or the Act, no amendment of any material provision of the Documents by the Association or Unit Owners described in this Subsection 17.4(a) may be effective without the vote of at least seventy-five percent (75%) of all Unit Owners (or any greater Unit Owner vote required in this Declaration or the Act) and until approved in writing by at least one hundred percent (100%) of the Eligible Mortgagees. Material includes, but is not limited to, any provision affecting:

- (i) Assessments, assessment liens or subordination of assessment liens;
- (ii) Voting rights;
- (iii) Reserves for maintenance, repair and replacement of Common Elements;
- (iv) Responsibility for maintenance and repairs;
- (v) Reallocation of interests in the Common Elements or Limited Common Elements, including any change in the pro rata interest or obligations of any Unit Owner for the purpose of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards.
- (vi) Rights to use Common Elements and Limited Common Elements;
- (vii) Unit Boundary changes shall in addition to the requisite Eligible Mortgagee consent and approval also require the consent and approval of one hundred percent (100%) of Unit Owners to initiate such action;
- (viii) Convertibility of Units into Common Elements or Common Elements into Units;
- (ix) Abandonment, partition, subdivision, expansion or contraction of the Common Interest Community, or the addition, annexation, partition, subdivision or withdrawal of property to or from the Common Interest Community;
- (x) Insurance or fidelity bonds, including the use of hazard insurance proceeds for losses to any property in the Common Interest Community for other than



the repair, replacement or reconstruction of such property except as provided by AS 34.08.440(h);

- (xi) Leasing of Units;
- (xii) Imposition of restrictions on a Unit Owner's right to sell or transfer his or her Unit;
- (xiii) Establishment of self-management when professional management had been required previously by any Eligible Mortgagee;
- (xiv) Restoration or repair of the project after a hazard damage or partial condemnation in a manner other than that specified in the Documents;
- (xv) Termination of the Common Interest Community for reasons other than the substantial destruction or condemnation, as to which one hundred percent (100%) Eligible Mortgagee approval is required; and
- (xvi) The benefits of mortgage holders, insurers or guarantors.

(b) Actions. The Association may not take any of the following actions without the approval of one hundred percent (100%) of the Eligible Mortgagees:

- (i) Convey or encumber the Common Elements or any portion thereof (as to which an eighty percent (80%) Eligible Mortgagee approval is required). (The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the Common Interest Community will not be deemed a transfer within the meaning of this clause);
- (ii) The establishment of self-management when professional management had been required previously by any Eligible Mortgagee;
- (iii) The restoration or repair of the Property (after a hazard damage or partial condemnation) in a manner other than that specified in the Documents;
- (iv) The termination of the Common Interest Community for reasons other than substantial destruction or condemnation.
- (v) The alteration of any partition or creation of any aperture between adjoining Units.
- (vi) The merger of this Common Interest Community with any other common interest community;

- (vii) The granting of any easements, leases, licenses and concessions through or over the Common Elements (excluding, however, any utility easements serving or to serve the Common Interest Community and excluding any leases, licenses or concessions for no more than one year);
- (viii) The assignment of the future income of the Association, including its right to receive Common Expense assessments; and
- (ix) Any action taken not to repair or replace the Property.

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

(d) The failure of an Eligible Mortgagee to respond within thirty (30) days to any written request of the Association for approval of a non-material addition or amendment to the Documents shall constitute an implied approval of the addition or amendment.

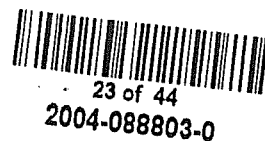
Section 17.5 - Inspection of Books. The Association shall permit any Eligible Mortgagee or Eligible Insurer to inspect the books and records of the Association during normal business hours.

Section 17.6 - Financial Statements. The Association shall provide any Eligible Mortgagee or Eligible Insurer which submits a written request, with a copy of an annual financial statement within ninety (90) days following the end of each fiscal year of the Association. Such financial statement shall be audited by an independent certified public accountant. Costs associated with financial audits requested at times other than ninety (90) days following the end of each fiscal year, shall be borne by the requesting Eligible Mortgagee or Insurer.

Section 17.7 - Enforcement. The provisions of this Article are for the benefit of Eligible Mortgagees and Eligible Insurers and their successors, and may be enforced by any of them by any available means, at law, or in equity.

Section 17.8 - Attendance at Meetings. Any representative of an Eligible Mortgagee or Eligible Insurer may attend any meeting which a Unit Owner may attend.

Section 17.9 - Appointment of Trustee. In the event of damage or destruction under Article XXI or XXII or condemnation of all or a portion of the community, any Eligible Mortgagee may require that such proceeds be payable to a Trustee established pursuant to Section 1.31. Such Trustee may be required to be a corporate trustee licensed by the State of Alaska. Proceeds will thereafter be distributed pursuant to Article XXII or pursuant to a condemnation award. Unless otherwise required, the members of the Executive Board acting by majority vote through the president may act as Trustee.



ARTICLE XVIII

Assessment and Collection of Common Expenses

Section 18.1 - Apportionment of Common Expenses. Except as provided in Section 18.2, all Common Expenses shall be assessed against all Units in accordance with their percentage interest in the Common Expenses as shown on Schedule A-2 to this Declaration.

Section 18.2 - Common Expenses Attributable to Fewer Than All Units.

(a) If any Limited Common Element is assigned to more than one Unit, the Common Expenses attributable to the Limited Common Element shall be assessed equally among the Units to which it is assigned.

(b) Any Common Expense for services provided by the Association to an individual Unit at the request of the Unit Owner shall be assessed against the Unit which benefits from such service.

(c) Any insurance premium increase attributable to a particular Unit by virtue of activities in or construction of the Unit shall be assessed against that Unit.

(d) An assessment to pay a judgment against the Association may be made only against the Units in the Common Interest Community at the time the judgment was entered, in proportion to their Common Expense liabilities.

(e) If Common Expense is caused by the misconduct of a Unit Owner, the Association may assess that expense exclusively against the Unit.

(f) Fees, charges, late charges, fines, collection costs, and interest charged against a Unit Owner pursuant to the Documents and the Act are enforceable as Common Expense assessments.

Section 18.3 - Lien.

(a) The Association has a lien on a Unit for an assessment levied against the Unit or fines imposed against its Unit Owner from the time the assessment or fine becomes due. Fees, charges late charges, fines and interest charged pursuant to the Act and the Documents are enforceable as assessments under this Section. If an assessment is payable in installments, the full amount of the assessment is a lien from the time the first installment thereof becomes due.

(b) A lien under this Section is prior to all other liens and encumbrances on a Unit except: (1) a lien and encumbrances recorded before the recordation of the Original Declaration and this Amended Restated Declaration; (2) a first Security Interest on the Unit recorded before the date on which the assessment sought to be enforced became delinquent; and (3) liens for real estate taxes and other governmental assessments charges against the Unit. A lien under this Section is also prior to all Security Interests described in Subdivision (2) of this Subsection if the Common



Expense assessments based on the periodic budget adopted by the Association pursuant to Section 18.4 of this Article which would have become due in the absence of acceleration during the six months immediately preceding institution of an action to enforce either the Association's lien or a Security Interest described in Subdivision (2) of this Subsection. This Subsection does not affect the priority of mechanics' or materialmen's liens, or the priority of a lien for other assessments made by the Association. A lien under this Section is not subject to the provision of AS 09.38.010.

(c) Recording of the Original Declaration and this Amended Restated Declaration constitutes record notice and perfection of the lien. No further recordation of any claim of lien for assessment under this Section is required.

(d) A lien for an unpaid assessment is extinguished unless proceedings to enforce the lien are instituted within three years after the full amount of the assessment becomes due; provided, that if an Owner of a Unit subject to a lien under this Section files a petition for relief under the United States Bankruptcy Code, the period of time for instituting proceedings to enforce the Association's lien shall be tolled until thirty days after the automatic stay of proceedings under Section 362 of the Bankruptcy Code is lifted.

(e) This Section does not prohibit an action to recover sums for which Subsection 18.3(a) creates a lien or prohibit an Association from taking a deed in lieu of foreclosure.

(f) A judgment or decree in any action brought under this Section shall include costs and all attorney fees for the prevailing party.

(g) A judgment or decree in an action brought under this Section is enforceable by execution under AS 09.35.010.

(h) The Association's lien must be foreclosed as a mortgage or deed of trust on real estate is foreclosed, or as a lien is foreclosed under AS 34.35.005.

(i) In any action by the Association to collect assessments or to foreclose a lien for unpaid assessments, the court may appoint a receiver of the Unit Owner to collect all sums alleged to be due from that Unit Owner prior to or during the period of time the action is pending. The court may order the receiver to pay any sums held by the receiver to the Association during the period of time the action is pending to the extent of the Association's Common Expense assessments based on a periodic budget adopted by the Association pursuant to Section 18.5 of this Declaration.

(j) If a holder of a first or second Security Interest in a Unit forecloses that Security Interest, the purchaser at the foreclosure sale is not liable for any unpaid assessments against that Unit which became due before the sale, other than the assessments which are prior to that Security Interest under Subsection 18.4(b). Any unpaid assessments not satisfied from the proceeds of sale become Common Expenses collectible from all the Unit Owners, including the purchaser.



(k) Any payments received by the Association in the discharge of a Unit Owner's obligation may be applied to the oldest balance due.

Section 18.4 - Budget Adoption and Ratification. Within thirty (30) days after adoption of a proposed budget for the Common Interest Community, the Executive Board shall provide a summary of the budget to each Unit Owner, and shall set a date for a meeting of the Unit Owners to consider ratification of the budget not less than fourteen (14) nor more than thirty (30) days after mailing of the summary. Unless at that meeting a majority of all Unit Owners reject the budget, the budget is ratified, whether or not a quorum is present. If the proposed budget is rejected, the periodic budget last ratified by the Unit Owners continues until the Unit Owners ratify a budget proposed by the Executive Board.

Section 18.5 - Ratification of Non-budgeted Common Expense Assessments. If the Executive Board votes to levy a Common Expense assessment not included in the current budget, other than one enumerated in Section 18.2 of this Declaration, in an amount greater than fifteen percent (15%) of the current annual operating budget, the Executive Board shall submit such Common Expense to the Unit Owners for ratification in the same manner as a budget under Section 18.4.

Section 18.6 - Certificate of Payment of Common Expense Assessments. The Association upon written request shall furnish to a Unit Owner a statement in recordable form setting out the amount of unpaid assessments against the Unit. The statement must be furnished within ten (10) business days after receipt of the request and is binding on the Association, the Executive Board and each Unit Owner.

Section 18.7 - Monthly Payment of Common Expenses. All Common Expenses assessed under Sections 18.1 and 18.2 shall be due and payable on the first of each month.

Section 18.8 - Acceleration of Common Expense Assessments. In the event of default for a period of thirty (30) days by any Unit Owner in the payment of any Common Expense assessment levied against his or her Unit, the Executive Board shall have the right, after Notice and Hearing, to declare all unpaid assessments for the pertinent fiscal year to be immediately due and payable.

Section 18.9 - Commencement of Common Expense Assessments. Common Expense assessments shall begin on the first day of the month following the month in which conveyance of the Unit to a Unit Owner occurs.

Section 18.10 - No Waiver of Liability for Common Expenses. No Unit Owner may exempt himself or herself from liability for payment of the Common Expenses by waiver of the use or enjoyment of the Common Elements or by abandonment of the Unit against which the assessments are made.

Section 18.11 - Personal Liability of Unit Owners. The Owner of a Unit at the time a Common Expense assessment or portion thereof is due and payable is personally liable for the assessment. Personal liability for the assessment shall not pass to a successor in title to the Unit unless he or she agrees to assume the obligation.



Section 18.12 – Capitalization of the Association. The Association shall maintain the working capital funds in segregated accounts to meet unforeseen expenditures. Such payments to this fund shall not be considered advance payments of Annual Assessments and except for refunds to Declarant, shall not be refundable. Declarant may not use any working capital funds to defray any of its expenses, reserve contributions, or construction costs or to make up any budget deficits.

ARTICLE XIX

Right to Assign Future Income

The Association may assign its future income, including its right to receive Common Expense assessments, only by the affirmative vote of Unit Owners of Units to which at least seventy-five (75%) percent of the votes in the Association are allocated, at a meeting called for that purpose and provided that one hundred percent (100%) of all Eligible Mortgagees must also consent and the same as a prerequisite.

ARTICLE XX

Persons and Units Subject to Documents

Section 20.1 - Compliance with Documents. All Unit Owners, tenants, mortgagees and occupants of Units shall comply with the Documents. The acceptance of a deed or the exercise of any incident of ownership or the entering into of a lease or the entering into occupancy of a Unit constitutes agreement that the provisions of the Documents are accepted and ratified by such Unit Owner, tenant, mortgagee or occupant, and all such provisions recorded in the records of the Anchorage Recording District of the Third Judicial District are covenants running with the land and shall bind any Persons having at any time any interest or estate in such Unit.

Section 20.2 - Adoption of Rules. The Executive Board may adopt Rules regarding the use and occupancy of Units, Common Elements, and Limited Common Elements and the activities of occupants, subject to Notice and Comment.

ARTICLE XXI

Insurance

Section 21.1 - Coverage. To the extent reasonably available, the Executive Board shall obtain and maintain insurance coverage as set forth in this Article. If such insurance is not reasonably available, and the Executive Board determines that any insurance described herein will not be maintained, the Executive Board shall cause notice of that fact to be hand-delivered or sent prepaid by United States mail to all Unit Owners and Eligible Mortgagees at their respective last known addresses.

Section 21.2 - Property Insurance.

(a) Property insurance covering:

- (i) The project facilities (which term means all buildings on the Property, including the Units and all fixtures, equipment and any Improvements and betterments whether part of a Unit or a Common Element, and such personal property of Unit Owners as is normally insured under building coverage), but excluding land, excavations, portions of foundations below the undersurfaces of the lowest crawlspace floors, underground pilings, piers, pipes, flues and drains and other items normally excluded from property policies; and
- (ii) All personal property owned by the Association.

(b) Amounts. The project facilities for an amount (after application of any deductions) equal to one hundred percent (100%) of their actual cash value, but not less than their insurable replacement cost, at the time the insurance is purchased and at each renewal date. Personal property owned by the Association for an amount equal to its actual cash value.

The Executive Board is authorized to obtain appraisals periodically for the purpose of establishing said replacement cost of the project facilities and the actual cash value of the personal property, and the cost of such appraisals shall be a Common Expense.

The maximum deductible for insurance policies shall be the lesser of ten thousand dollars (\$10,000) or one percent (1%) of the policy face amount.

The difference between the policy deductible and two-hundred-and-fifty dollars (\$250) shall be paid by the Association as a common expense. Of the deductible portion two-hundred-and-fifty dollars (\$250) as per unit owner affected shall be paid by each of the Unit Owner(s) suffering the loss.

(c) Risks Insured Against. The insurance shall afford protection against "all risks", except earthquake and flood, of direct physical loss commonly insured against.

(d) Other Provisions. Insurance policies required by this Section shall provide that:

- (i) The insurer waives the right to subrogation under the policy against a Unit Owner or member of the household of a Unit Owner;
- (ii) An act or omission by a Unit Owner, unless acting within the scope of the Unit Owner's authority on behalf of the Association, will not void the policy or be a condition of recovery under the policy.



- (iii) If, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the policy of the Association provides primary insurance.
- (iv) Loss must be adjusted with the Association.
- (v) Insurance proceeds shall be paid to any insurance trustee designated in the policy for that purpose, and in the absence of such designation to the Association, in either case to be held in trust for each Unit Owner and such Unit Owner's mortgagee.
- (vi) The insurer may not cancel or refuse to renew the policy until thirty (30) days after notice of the proposed cancellation or non-renewal has been mailed to the Association, each Unit Owner and each holder of a Security Interest to whom a certificate or memorandum of insurance has been issued, at their respective last known addresses.
- (vii) The name of the insured shall be substantially as follows:

"Stonegate Condominium Owners Association, Inc for the use and benefit of the individual Owners".

Section 21.3 - Liability Insurance. Liability insurance, including medical payments insurance, in an amount determined by the Executive Board but in no event less than one million dollars (\$1,000,000) covering all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Common Elements, and the activities of the Association.

(a) Other Provisions. Insurance policies carried pursuant to this Section shall provide that:

- (i) Each Unit Owner is an insured person under the policy with respect to liability arising out of interest of the Unit Owner in the Common Elements or membership in the Association.
- (ii) The insurer waives the right to subrogation under the policy against a Unit Owner or member of the household of a Unit Owner;
- (iii) An act or omission by a Unit Owner, unless acting within the scope of the Unit Owner's authority on behalf of the Association, will not void the policy or be a condition to recovery under the policy.
- (iv) If at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the policy of the Association provides primary insurance.



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

Section 21.4 - Fidelity Bonds. A blanket fidelity bond is required for anyone who either handles or is responsible for funds held or administered by the Association, whether or not they receive compensation for their services. The bond shall name the Association as obligee and shall cover the maximum funds that will be in the custody of the Association or the manager at any time while the bond is in force and in no event less than the sum of three (3) months' assessments plus reserve funds. The bond shall include a provision that calls for ten (10) days' written notice to the Association, to each holder of a Security Interest in a Unit, to each Eligible Mortgagee and Eligible Insurer that services an AHFC-owned, FNMA-owned or FHLMC-owned mortgage on a Unit and to the insurance trustee, if any, before the bond can be cancelled or substantially modified for any reason.

Section 21.5 - Unit Owner Policies. An insurance policy issued to the Association does not prevent a Unit Owner from obtaining insurance for his or her own benefit.

Section 21.6 - Workers' Compensation Insurance. The Executive Board shall obtain and maintain Workers' Compensation Insurance to meet the requirements of the laws of the State of Alaska.

Section 21.7 - Directors' and Officers' Liability Insurance. The Executive Board shall obtain and maintain directors' and officers' liability insurance, if available, covering all of the Directors and officers of the Association in such limits as the Executive Board may, from time to time, determine.

Section 21.8 - Other Insurance. The Association may carry other insurance which the Executive Board considers appropriate to protect the Association or the Unit Owners.

Section 21.9 - Premiums. Insurance premiums shall be a Common Expense.

ARTICLE XXII

Damage to or Destruction of Property

Section 22.1 - Duty to Restore. A portion of the Common Interest Community for which insurance is required under Section 34.08.440 of the Act or for which insurance carried by the Association is in effect, whichever is more extensive, that is damaged or destroyed must be repaired or replaced promptly by the Association unless:

- (a) The Common Interest Community is terminated:



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

(c) Eighty percent (80%) of the Unit Owners, including each owner of a Unit or assigned Limited Common Element that will not be rebuilt, vote not to rebuild.

Section 22.2 - Cost. The cost of repair or replacement in excess of insurance proceeds and reserves is a Common Expense.

Section 22.3 - Plans. The Property must be repaired and restored in accordance with either the original plans and specifications or other plans and specifications which have been approved by the Executive Board, a majority of Unit Owners and one hundred percent (100%) of Eligible Mortgagees.

Section 22.4 - Replacement of Less Than Entire Property.

(a) The insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the remainder of the Common Interest Community;

(b) Except to the extent that other persons will be distributees,

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

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

(c) If the Unit Owners vote not to rebuild a Unit, the Allocated Interests of the Unit are reallocated upon the vote as if the Unit had been condemned under Subsection 34.08.260(a) of the Act, and the Association promptly shall prepare, execute and record an amendment to the Declaration reflecting the reallocations.

Section 22.5 - Insurance Proceeds. The insurance trustee, or if there is no insurance trustee, then the Executive Board of the Association, acting by the President, shall hold any insurance proceeds in trust for the Association, Unit Owners and lien holders as their interests may appear. Subject to the provisions of Subsection 22.1(a) through Subsection 22.1(c), the proceeds shall be disbursed first for the repair or restoration of the damaged Property, and the Association, Unit Owners and lien holders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the Property has been completely repaired or restored, or the Common Interest Community is terminated.



Section 22.6 - Certificates by the Executive Board. The Trustee, if any, may rely on the following certifications in writing made by the Executive Board:

- (a) Whether or not damaged or destroyed Property is to be repaired or restored; and/or
- (b) The amount or amounts to be paid for repairs or restoration and the names and addresses of the parties to whom such amounts are to be paid.

Section 22.7 - Title Insurance Policies. If payments are to be made to Unit Owners or mortgagees, the Executive Board, and the Trustee, if any, shall obtain and may rely on a title insurance policy based on a search of the records of the Anchorage Recording District of the Third Judicial District from the date of the recording of the original Declaration stating the names of the Unit Owners and the lienholders.

ARTICLE XXIII

Rights To Notice And Comment; Notice And Hearing

Section 23.1 - Right to Notice and Comment. Before the Executive Board amends the Bylaws or the Rules, whenever the Documents require that an action be taken after "Notice and Comment", and at any other time the Executive Board determines, the Unit Owners have the right to receive notice of the proposed action and the right to comment orally or in writing, notice of the proposed action shall be given to each Unit Owner in writing and shall be delivered personally or by mail to all Unit Owners at such address as appears in the records of the Association, or published in a newsletter or similar publication which is routinely circulated to all Unit Owners. The notice shall be given not less than five (5) days before the proposed action is to be taken. It shall invite comment to the Executive Board orally or in writing before the scheduled time of the meeting. The right to Notice and Comment does not entitle a Unit Owner to be heard at a formally constituted meeting.

Section 23.2 - Right to Notice and Hearing. Whenever the Documents require that an action be taken after "Notice and Hearing", the following procedure shall be observed: The party proposing to take the action (e.g., the Executive Board, a committee, an officer, the manager, etc.) shall give written notice of the proposed action to all Unit Owners or occupants of Units whose interest would be significantly affected by the proposed action. The notice shall include a general statement of the proposed action and the date, time and place of the hearing. At the hearing, the affected person shall have the right, personally or by a representative, to give testimony orally, in writing or both (as specified in the notice), subject to reasonable rules of procedure established by the party conducting the meeting to assure a prompt and orderly resolution of the issues. Such evidence shall be considered in making the decision but shall not bind the decision makers. The affected person shall be notified of the decision in the same manner in which notice of the meeting was given.

Section 23.3 - Appeals. Any Person having a right to Notice and Hearing shall have the right to appeal to the Executive Board from a decision of persons other than the Executive Board by filing a written notice of appeal with the Executive Board within ten (10) days after being notified



of the decision. The Executive Board shall conduct a hearing within thirty (30) days, giving the same notice and observing the same procedures as were required for the original meeting.

ARTICLE XXIV

Executive Board

Section 24.1 - Minutes of Executive Board Meetings. The Executive Board shall permit any Unit Owner to inspect the minutes of Executive Board meetings during normal business hours. The minutes shall be available for inspection within fifteen (15) days after any such meeting.

Section 24.2 - Powers and Duties. The Executive Board may act in all instances on behalf of the Association, except as provided in this Declaration, the Bylaws or the Act. The Executive Board shall have, subject to the limitations contained in this Declaration and the Act, the powers and duties necessary for the administration of the affairs of the Association and of the Common Interest Community which shall include, but not be limited to, the following:

- (a) Adopt and amend Bylaws, Rules and regulations;
- (b) Adopt and amend budgets for revenues, expenditures and reserves;
- (c) Collect assessments for Common Expenses from Unit Owners;
- (d) Hire and discharge managing agents;
- (e) Hire and discharge employees and agents, other than managing agents, and independent contractors;
- (f) Institute, defend or intervene in litigation or administrative proceedings or seek injunctive relief for violation of the Association's Declaration, Bylaws or Rules in the Association's name on behalf of the Association or two or more Unit Owners on matters affecting the Common Interest Community;
- (g) Make contracts and incur liabilities;
- (h) Regulate the use, maintenance, repair, replacement and modification of the Common Elements;
- (i) Cause additional Improvements to be made as a part of the Common Elements;
- (j) Acquire, hold, encumber and convey in this Association's name any right, title or interest to real property or personal property, but Common Elements may be conveyed or subjected to a Security Interest only pursuant to Section 34.08.430 of the Act;
- (k) Grant easements for any period of time including permanent easements, and leases, licenses and concessions for no more than one year, through or over the Common Elements;



- (l) Impose and receive a payment, fee or charge for services provided to Unit Owners;
- (m) Impose a reasonable charge for late payment of assessments and, after Notice and Hearing, levy a reasonable fine for violations of this Declaration, Bylaws, Rules and regulations of the Association;
- (n) Impose a reasonable charge for the preparation and recordation of amendments to this Declaration, resale certificates required by Section 34.08.590 of the Act or a statement of unpaid assessments;
- (o) Provide for the indemnification of the Association's officers and Executive Board and maintain Directors' and officers' liability insurance;
- (p) Assign the Association's right to future income, including the right to receive Common Expense assessments;
- (q) Exercise any other powers conferred by this Declaration or the Bylaws;
- (r) Exercise any other power that may be exercised in this state by legal entities of the same type as the Association;
- (s) Exercise any other power necessary and proper for the governance and operation of the Association; and
- (t) By resolution, establish committees of Directors, and Unit Owners, to perform any of the above functions under specifically delegated administrative standards, as designated in the resolution establishing the committee. All committees must maintain and publish notice of their actions to Unit Owners and the Executive Board. However, actions taken by a committee may be appealed to the Executive Board by any Unit Owner within forty-five (45) days of publication of such notice (unless such Unit Owner has been given notice of the proposed action under the provisions of Article XXIII, in which case that Article shall govern appeals), and such committee action must be ratified, modified or rejected by the Executive Board at its next regular meeting.

Section 24.3 - Executive Board Limitations. The Executive Board may not act on behalf of the Association to amend this Declaration, to terminate the Common Interest Community or to elect members of the Executive Board or determine the qualifications, powers and duties, or terms of office of Executive Board members, but the Executive Board may fill vacancies in its membership for the unexpired portion of any term.

ARTICLE XXV

Open Meetings

Section 25.1 - Access. All meetings of the Executive Board, at which action is to be taken by vote at such meeting will be open to the Unit Owners, except as hereafter provided.



Section 25.2 - Meetings and Notice of Meetings. Regular meetings may be set by a schedule appointed by resolution of the Executive Board and no further notice will be required. Special meetings of the Executive Board may be called by the President or by a majority of the Directors on at least three (3) business days' notice to each member. The notice will be hand-delivered or mailed and will state the time, place and purpose of the meeting.

Section 25.3 - Executive Sessions. Meetings of the Executive Board may be held in executive session, without giving notice and without the requirement that they be open to Unit Owners, in either of the following situations only:

No action is taken at the executive session requiring the affirmative vote of Directors; or

The action taken at the executive session involves personnel, pending litigation, contract negotiations, or enforcement actions.

ARTICLE XXVI

Condemnation

If part or all of the Common Interest community is taken by any power having the authority of eminent domain, all compensation and damages for and on account of the taking shall be payable in accordance with Section 34.08.740 of the Act.

ARTICLE XXVII

Miscellaneous

Section 27.1 - Captions. The captions contained in the Documents are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of the Documents or the intent of any provision thereof.

Section 27.2 - Gender. The use of the masculine gender refers to the feminine and neuter genders and the use of the singular includes the plural, and vice versa, whenever the context of the Documents so require.

Section 27.3 - Waiver. No provision contained in the Documents is abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 27.4 - Invalidity. The invalidity of any provision of the Documents does not impair or affect in any manner the validity, enforceability or effect of the remainder, and in such event, all of the other provisions of the Documents shall continue in full force and effect.



DESCRIPTION OF COMMON INTEREST COMMUNITY

(Declaration Schedule A-1)



SCHEDULE A-1

PROPERTY IN THE COMMON INTEREST COMMUNITY

Phase I

Lot 2, Block 1; Lots 1, 2, 3, 4 and 5, Block 2; Lots 1 and 3, Block 3, STONEGATE TOWNHOUSE SUBDIVISION, according to the official plat thereof, filed under Plat Number 75-78 at Serial No. 1975-022906-0, records of the Anchorage Recording District, Third Judicial District, State of Alaska,

Phase II

Lots 6, 7 and 8, Block 2 and Lots 2 and 3, Block 3, STONEGATE TOWNHOUSE - ADDITION NO. 2 according to the official plat thereof filed under Plat Number 76-290 at Serial No. 1976-054820-0, records of the Anchorage Recording District, Third Judicial District, State of Alaska,

EXCEPTIONS TO TITLE

SUBJECT TO the effect of the notes which appear on the Plats of said subdivision;

FURTHER SUBJECT TO the easements as dedicated and shown on the Plats of said subdivision; and

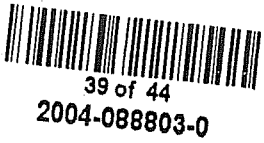
FURTHER SUBJECT TO the reservations and exceptions as contained in the U.S. Patent;

FURTHER SUBJECT TO the easements as dedicated and shown on the Plats of said subdivision;



TABLE OF INTERESTS

(Declaration Schedule A-2)



SCHEDULE A-2

TABLE OF INTERESTS

<u>Unit No.</u>	<u>Street Address</u>	<u>Percentage Share of Common Elements and Common Expenses</u>	<u>Vote in the Affairs of the Association</u>	<u>Driveways and Yards</u>
101	2024 Stonegate Circle	.9615%	1	D-101/Y-101
102	2022 Stonegate Circle	.9615%	1	D-102/Y-102
103	2020 Stonegate Circle	.9615%	1	D-103/Y-103
104	2018 Stonegate Circle	.9615%	1	D-104/Y-104
105	2016 Stonegate Circle	.9615%	1	D-105/Y-105
106	2014 Stonegate Circle	.9615%	1	D-106/Y-106
107	2012 Stonegate Circle	.9615%	1	D-107/Y-107
108	2010 Stonegate Circle	.9615%	1	D-108/Y-108
109	2000 Stonegate Circle	.9615%	1	D-109/Y-109
110	2005 Stonegate Circle	.9615%	1	D-110/Y-110
111	2009 Stonegate Circle	.9615%	1	D-111/Y-111
112	2013 Stonegate Circle	.9615%	1	D-112/Y-112
113	9643 Stonegate Drive	.9615%	1	D-113/Y-113
114	9639 Stonegate Drive	.9615%	1	D-114/Y-114
115	9635 Stonegate Drive	.9615%	1	D-115/Y-115
116	9631 Stonegate Drive	.9615%	1	D-116/Y-116
117	9532 Liberty Circle	.9615%	1	D-117/Y-117
118	9528 Liberty Circle	.9615%	1	D-118/Y-118
119	9524 Liberty Circle	.9615%	1	D-119/Y-119
120	9520 Liberty Circle	.9615%	1	D-120/Y-120
121	9446 Liberty Circle	.9615%	1	D-121/Y-121
122	9442 Liberty Circle	.9615%	1	D-122/Y-122
123	9438 Liberty Circle	.9615%	1	D-123/Y-123
124	9434 Liberty Circle	.9615%	1	D-124/Y-124
125	9411 Liberty Circle	.9615%	1	D-125/Y-125
126	9415 Liberty Circle	.9615%	1	D-126/Y-126
127	9419 Liberty Circle	.9615%	1	D-127/Y-127
128	9423 Liberty Circle	.9615%	1	D-128/Y-128
129	9435 Liberty Circle	.9615%	1	D-129/Y-129
130	9439 Liberty Circle	.9615%	1	D-130/Y-130
131	9443 Liberty Circle	.9615%	1	D-131/Y-131
132	9447 Liberty Circle	.9615%	1	D-132/Y-132
133	9451 Liberty Circle	.9615%	1	D-133/Y-133
134	9455 Liberty Circle	.9615%	1	D-134/Y-134
135	9521 Liberty Circle	.9615%	1	D-135/Y-135
136	9525 Liberty Circle	.9615%	1	D-136/Y-136
137	9529 Liberty Circle	.9615%	1	D-137/Y-137
138	9533 Liberty Circle	.9615%	1	D-138/Y-138
139	9537 Liberty Circle	.9615%	1	D-139/Y-139



<u>Unit No.</u>	<u>Street Address</u>	<u>Percentage Share of Common Elements and Common Expenses</u>	<u>Vote in the Affairs of the Association</u>	<u>Driveways and Yards</u>
140	9541 Liberty Circle	.9615%	1	D-140/Y-140
141	9400 Canton Loop	.9615%	1	D-141/Y-141
142	9404 Canton Loop	.9615%	1	D-142/Y-142
143	9408 Canton Loop	.9615%	1	D-143/Y-143
144	9412 Canton Loop	.9615%	1	D-144/Y-144
145	9416 Canton Loop	.9615%	1	D-145/Y-145
146	9420 Canton Loop	.9615%	1	D-146/Y-146
147	9424 Canton Loop	.9615%	1	D-147/Y-147
148	9428 Canton Loop	.9615%	1	D-148/Y-148
149	9432 Canton Loop	.9615%	1	D-149/Y-149
150	9436 Canton Loop	.9615%	1	D-150/Y-150
151	9440 Canton Loop	.9615%	1	D-151/Y-151
152	9444 Canton Loop	.9615%	1	D-152/Y-152
153	9448 Canton Loop	.9615%	1	D-153/Y-153
154	9452 Canton Loop	.9615%	1	D-154/Y-154
155	9456 Canton Loop	.9615%	1	D-155/Y-155
156	9460 Canton Loop	.9615%	1	D-156/Y-156
157	9464 Canton Loop	.9615%	1	D-157/Y-157
158	9468 Canton Loop	.9615%	1	D-158/Y-158
159	9429 Canton Loop	.9615%	1	D-159/Y-159
160	9425 Canton Loop	.9615%	1	D-160/Y-160
161	9421 Canton Loop	.9615%	1	D-161/Y-161
162	9417 Canton Loop	.9615%	1	D-162/Y-162
163	9413 Canton Loop	.9615%	1	D-163/Y-163
164	9409 Canton Loop	.9615%	1	D-164/Y-164
165	9405 Canton Loop	.9615%	1	D-165/Y-165
166	9401 Canton Loop	.9615%	1	D-166/Y-166
167	9595 Canton Loop	.9615%	1	D-167/Y-167
168	9591 Canton Loop	.9615%	1	D-168/Y-168
169	9585 Canton Loop	.9615%	1	D-169/Y-169
170	9581 Canton Loop	.9615%	1	D-170/Y-170
171	9575 Canton Loop	.9615%	1	D-171/Y-171
172	9571 Canton Loop	.9615%	1	D-172/Y-172
173	9565 Canton Loop	.9615%	1	D-173/Y-173
174	9561 Canton Loop	.9615%	1	D-174/Y-174
175	9555 Canton Loop	.9615%	1	D-175/Y-175
176	9551 Canton Loop	.9615%	1	D-176/Y-176
177	9545 Canton Loop	.9615%	1	D-177/Y-177
178	9541 Canton Loop	.9615%	1	D-178/Y-178
179	9453 Canton Loop	.9615%	1	D-179/Y-179
180	9449 Canton Loop	.9615%	1	D-180/Y-180
181	9443 Canton Loop	.9615%	1	D-181/Y-181
182	9439 Canton Loop	.9615%	1	D-182/Y-182



<u>Unit No.</u>	<u>Street Address</u>	<u>Percentage Share of Common Elements and Common Expenses</u>	<u>Vote in the Affairs of the Association</u>	<u>Driveways and Yards</u>
183	9598 Canton Loop	.9615%	1	D-183/Y-183
184	9596 Canton Loop	.9615%	1	D-184/Y-184
185	9588 Canton Loop	.9615%	1	D-185/Y-185
186	9586 Canton Loop	.9615%	1	D-186/Y-186
187	9578 Canton Loop	.9615%	1	D-187/Y-187
188	9576 Canton Loop	.9615%	1	D-188/Y-188
189	9568 Canton Loop	.9615%	1	D-189/Y-189
190	9566 Canton Loop	.9615%	1	D-190/Y-190
191	9564 Canton Loop	.9615%	1	D-191/Y-191
192	9560 Canton Loop	.9615%	1	D-192/Y-192
193	9554 Canton Loop	.9615%	1	D-193/Y-193
194	9550 Canton Loop	.9615%	1	D-194/Y-194
195	9544 Canton Loop	.9615%	1	D-195/Y-195
196	9540 Canton Loop	.9615%	1	D-196/Y-196
197	9534 Canton Loop	.9615%	1	D-197/Y-197
198	9530 Canton Loop	.9615%	1	D-198/Y-198
199	9524 Canton Loop	.9615%	1	D-199/Y-199
200	9520 Canton Loop	.9615%	1	D-200/Y-200
201	9514 Canton Loop	.9615%	1	D-201/Y-201
202	9510 Canton Loop	.9615%	1	D-202/Y-202
203	9504 Canton Loop	.9615%	1	D-203/Y-203
204	9500 Canton Loop	.9615%	1	D-204/Y-204
TOTALS		<u>100.00%</u>	<u>104</u>	



DESCRIPTION OF PLAT AND PLANS

(Declaration Schedule A-3)

3



SCHEDULE A-3

DESCRIPTION OF PLAT AND PLANS

The Plat and Plans for Stonegate Condominiums are as filed and recorded according to:

Plat Number 75-78 (Phase I) recorded June 13, 1975, under Serial No. 1975-022906-0, records of the Anchorage Recording District, Third Judicial District, State of Alaska; and

Plat Number 76-290 (Phase II) recorded December 9, 1976, under Serial No. 1976-054820-0, records of the Anchorage Recording District, Third Judicial District, State of Alaska.



IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Alaska, we, the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation in duplicate this 15th day of MAY, 1986.

Michael E. McGinnis
MICHAEL E. MCGINNIS

Leslie Ward
LESLIE WARD

Eleanor Hung
ELEANOR HUNG

Beth Hill Hunter
BETH HILL HUNTER

Robert Gray
ROBERT GRAY

Gregory Scott Ronzio
GREGORY SCOTT RONZIO

James Guthrie
JAMES GUTHRIE

STATE OF ALASKA)
) ss
THIRD JUDICIAL DISTRICT)

I, SALLY S. MOORE, a Notary Public in and for the State of Alaska, duly commissioned and sworn as such, hereby certify that on the 15th day of MAY, 1986, personally appeared Michael E. McGinnis, Leslie Ward, Eleanor Hung, Beth Hill, Robert Gray, Gregory Scott Ronzio, James Guthrie, who, being by me first duly sworn, severally declared that they are the persons who signed the foregoing document as incorporators, and that the statements therein contained are true.

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

Sally S. Moore
Notary Public in and for Alaska
My commission expires: Feb. 24, 1990