58 20
Anchorage Recording District

DECLARATION SUBMITTING
REAL PROPERTY TO HORIZONTAL PROPERTY REGIME

The undersigned, KRIS E. GRATRIX, a married man, of Anchorage, Alaska, being the owner of the real property more particularly described under Article I hereof, hereby submit said property to the provisions of the Horizontal Property Regimes Act (Title 34, Chapter 07, Alaska Statutes) as now existing, or as hereafter amended, and hereby establishes a "Horizontal Property Regime" with respect to said property, for the "project", to be known as KAPINGEN CONDOMINIUMS.

At the time of recording of this Declaration, there has been filed in the Anchorage Recording District, Third Judicial District, State of Alaska, survey maps and floor plans for the project under File No. 75-178, which survey maps and floor plans are incorporated by reference herein as if fully set forth.

1. DESCRIPTION OF LAND. The land on which the buildings and improvements for the project are located, or are to be located, is situated in the Anchorage Recording District, Third Judicial District, State of Alaska, more particularly described as follows:

> Lots Fourteen "A" (14A) and Seventeen "B" (17B) of the VADIM K. KAPINGEN SUBDIVISION, according to the official plat thereof filed under Plat No. 74-250, Records of the Anchorage Recording District, Third Judicial District, State of Alaska.

2. DEFINITIONS.

A. "Unit". "Unit" means an individual airspace, and, as used herein, is identical to "Apartment", as defined in Title 34, Chapter 07, Alaska Statutes, except as herein otherwise defined. The boundary lines of each unit are (except as elsewhere herein defined) the interior unfinished surfaces (exclusive of paint, paper, wax, tile, enamel or other finishings) of its perimeter walls, floors, ceilings, windows and doors thereof, as shown on the survey maps and floor plans referred to above; and a unit includes both the portions of a building so described and the airspace so encompassed, and includes all fixtures, improvements and partitions therein contained. The foregoing notwithstanding, the following are not a part of a "Unit": main or bearing walls, roofs, foundations, pipes, ducts, flues, chutes, conduits, wires and other utility installations to the exterior perimeters of a "Unit", columns and girders to the unfinished surface thereof, all regardless of location.

B. "Condominium Unit". "Condominium Unit" means a "Unit", together with an undivided interest in the common areas and facilities as set forth in Articles 5, and 7, hereof, and the limited common area and facilities appurtenant to and reserved to the use of a "Unit" to the exclusion of some or all other "Units" referred to in Article 6, hereof.

LAW OFFICES OF
KAY, CHRISTIE,
FULD & SAVILLE
ANCHORAGE, AK. 99501
(907) 276-1271

C. "Condominium Building". "Condominium Building" means the building, or buildings, constructed, or to be constructed, on the property described at Article I above.

D. "Owner". "Owner" means any person or entity at any time having record title to a "Condominium Unit" within the project as herein described, expressly excepting, however, holders of title for security purposes only.

E. "Project". "Project" means the "Property", as defined in A.S. 34.07.450 (13).

F. "Common Area". "Common Area" means the "Common Area" as set forth in Article 5, hereof.

G. "Limited Common Areas and Facilities". "Limited Common Areas and Facilities" means a part of the common area, an easement for the use of which is appurtenant to a particular unit, as more particularly set forth in Article 6, below.

H. "Mortgage" and "Deed of Trust". "Mortgage" and "Deed of Trust", as used herein, shall be deemed to be equivalent, and the use of one such term shall, where the sense requires, be deemed to also mean the other, both meaning a real property security interest in one or more units contained in the project. "Mortgagor", "Mortgagee" and "Holder" shall be deemed the equivalent of "Trustor", "Beneficiary" and holder of the beneficial interest under a Deed of Trust, respectively. Where these Declarations require affirmative action towards or by "Holders", "First Mortgagees" etc., such terms shall be deemed to apply only to "institutional" holders (any bank, Savings & Loan Association, corporation, mortgage company, insurance company, or federal or state agency).

3. DESCRIPTION OF "CONDOMINIUM BUILDING". There are two "Condominium Buildings" constructed on the land described at Article I above. Building A contains seven units and is located on the above-described Lot Fourteen "A" (14A), Building B contains four units and is located on the above-described Lot Seventeen "B" (17B). Each Condominium Building is three levels designated as "floors" on the above-referred to floor plans. The principal materials of which each Condominium Building is constructed is as follows: Poured concrete foundation, wood frame construction, wood siding and asphalt shingle roofing.

11 units

4. DESCRIPTION OF UNITS. All units are delineated on the above-referenced survey maps and floor plans. The units are more particularly described on Exhibit "A" attached hereto and made a part hereof.

5. DESCRIPTION OF COMMON AREAS AND FACILITIES.

A. The land described in Article 1 above, the airspace above same, except the airspace occupied by each of the "units", and all improvements situate upon such land, except those improvements actually within the airspace occupied by each "Unit".

LAW OFFICES OF
KAY, CHRISTIE,
FULD & SAVILLE
[illegible]
ANCHORAGE, AK. [illegible]
([illegible])

B. The foundations, columns, girders, beams, supports, main walls and roofs of the "Condominium Building(s)".

C. The installations of common utility services to the exterior of the perimeter walls, floors or ceilings of each "Unit". In the case of utility services metered to and for each individual "Unit", such as gas and electricity, the common area or facility extends only to (and not including) such meter; and the meters and wires, conduits or pipes from same are "improvements" belonging exclusively to each particular unit. The pipes, conduits and wires from the interior surface of the exterior walls (or partitions between units) of each building are the exclusive property and responsibility of the owner of each such unit.

D. The "Limited Common Areas and Facilities" described under 6 below and Exhibit "B" to these Declarations.

E. All other parts of the "Project" necessary or convenient to its existence, maintenance and safety, or normally in common use.

6. DESCRIPTION OF "LIMITED COMMON AREAS AND FACILITIES". The "Limited Common Areas and Facilities" reserved for the use of a unit, or units, to the exclusion of some or all other units, are as shown on the above-referenced floor plans and survey maps, and are further described on Exhibit "B", attached hereto and made a part hereof.

7. UNDIVIDED INTEREST IN COMMON AREAS AND FACILITIES. The percentage of undivided interest in the Common Areas and Facilities appertaining to each unit and its owner for all purposes, including voting, is in accordance with Exhibit "C", attached hereto and made a part hereof.

8. VALUE OF LAND AND IMPROVEMENTS.

A. The value of the unimproved real property described in Article 1 above is eighty eight thousand dollars, and the value of the total property, with designated improvements thereon, is seven hundred forty thousand dollars.

B. The value of each unit including its limited common areas, if any, and the percentage of undivided interest in the common areas and facilities appertaining to such unit for all purposes, including voting, is as set forth on Exhibit "C", attached hereto. Such values are established as required by Chapter 34.07 A.S. and do not necessarily reflect the amount for which a unit will be sold by Declarant or others.

9. STATEMENT OF PURPOSES FOR THE CONDOMINIUM BUILDINGS AND CONDOMINIUM UNITS. Each "Condominium Unit" is to be used only for the purposes of single family residence. As used herein, "single family" shall mean one or more persons occupying a "Unit" and living as a single housekeeping unit, as distinguished from a group occupying a rooming house, club, fraternity house or hotel.

59,090.00 unit

88,000

740,000
88,000
652,000

5909
11 652
55
10.0
9.9
10

LAW OFFICES OF
KAY, CHRISTIE,
FULD & SAVILLE
[illegible]
ANCHORAGE, AK. [illegible]
[illegible]

10. AGENT FOR RECEIPT OF PROCESS. Pending amendment hereto, the person to receive service of process in the cases provided for under the Horizontal Regimes Act (Title 34, Chapter 07) shall be Kris E. Gratrix, whose address for such purposes shall be 1327 West 27th Avenue, Anchorage, Alaska, such location being within the recording district in which the project is located. At the first meeting of the Board of Directors of the Association of Owners, as provided for in the Bylaws of the Association, a new registered agent shall, with such agent's consent, be appointed, and an appropriate amendment of these Declarations shall be filed in the District Recorder's Office. In the event of incorporation of the Owners' Association, the Commissioner of Commerce, State of Alaska, shall likewise be advised of the change of Registered Agent.

11. PROCEDURE FOR SUBDIVIDING OR COMBINING. There shall be no subdivision of a "Condominium Unit", and no part of a "Condominium Unit" or the legal rights comprising ownership of a "Condominium Unit" may be separated from any other part thereof during the period of condominium ownership prescribed herein without written agreement of one hundred percent (100%) of the owners of the condominium units in the project and the holders of first mortgages on one hundred percent (100%) of the units in the project in order that each "Unit" and the undivided interest in the common elements appurtenant to such "Unit" shall always be conveyed, demised, encumbered, or otherwise affected only as to a complete "Condominium Unit".

There shall be no combination of the area or space of one unit with that of another without written agreement of one hundred percent (100%) of the owners of the Condominium Units in the project and the holders of first mortgages on one hundred percent (100%) of the units in the project.

No such subdivision or combination shall be effective unless and until an amended "Declaration" has been recorded and amended floor plans have been filed specifying the subdivision or combination.

12. ADMINISTRATION. Administration of the project shall be vested in its association of unit owners, hereinafter called "The Association", consisting of all unit owners of the project in accordance with Bylaws of The Association. The owner of any unit, upon acquiring title thereto, shall automatically become a member of The Association, and shall remain a member thereof until such time as his ownership in The Association shall cease by virtue of no longer being an "Owner". Operation of the project and maintenance, repair, replacement and restoration of the common elements, and any additions or alterations thereto, shall be by such "Association" in accordance with the provisions of the Horizontal Property Regimes Act, this Declaration, and the Bylaws of the "Association"; and the "Association" shall have such rights regardless of any present or future encroachment(s) of the common elements upon another unit.

Upon the recording of this Declaration, Declarant shall contemporaneously adopt Bylaws for such "Association" and cause the appointment (and acceptance of such appointments in writing) of officers and directors of the "Association" in number and function identical to such positions as provided

LAW OFFICES OF
KAY, CHRISTIE,
FULD & SAVILLE
[illegible]
ANCHORAGE, AK. 99501
(907) 276-4471

for under the Bylaws. Such officers and directors, and their replacements, shall be responsible for the administration of the project until such time as new directors are elected by the Unit Owners at their first annual meeting.

The Declarant (prior to the election of the first Board, in accordance with the Bylaws of the Association) and, thereafter the Board of Directors of the Association, may at any time hereafter cause the formation of an Alaska not-for-profit corporation for the purpose of facilitating the administration and operation of the property, and, in such event:

A. Each unit owner shall be a member of such corporation, which membership shall terminate upon the sale or other disposition by such member of his unit ownership, at which time the new unit owner shall automatically become a member therein;

B. The Bylaws of the Association provided for herein shall be the bylaws of such corporation;

C. The Articles of Incorporation and Bylaws shall contain such terms not inconsistent with this Declaration, as the Declarant or the Board shall deem desirable, but subject to approval of holders of first mortgages covering all or any portion of the project;

D. The name of such corporation shall be The Kapingen Condominium Owners Association, or a similar name.

E. "The Association" as used in this instrument or elsewhere in connection with this project shall be the equivalent of such corporation, it being the intent that but one entity shall have authority for administration of the project.

Each "owner" shall receive a true and correct copy of the Bylaws of the Association upon becoming an "owner", and shall acknowledge the receipt of same. The Bylaws shall be recorded as Exhibit "D" hereto, and, shall be deemed to be incorporated by reference herein as if fully set forth. Each "owner" shall be deemed to acquire title to a unit subject to the provisions of the Bylaws of the Association as existing at the time of acquisition of title.

Before the election of the first Board, as provided for in the Bylaws of the Association of Owners, the Declarant, or the successors in interest thereto, shall have all the rights, powers and obligations of the Board herein provided for, and in the Bylaws provided for, to administer the project; provided, however, that Declarant shall be subject to all limitations of such power on the Declarant or Board provided for in these Declarations and in the Bylaws, and provided, further, that control of the Owners Association will become vested in the purchasers of the units within not more than one hundred twenty (120) days after completion of transfer to purchasers of title to units representing seventy percent (70%) of the votes of all unit owners.

LAW OFFICES OF
KAY, CHRISTIE,
FULD & SAVILLE
ANCHORAGE AK 99501
(907) 279-4471

13. SALE AND RETENTION OF CONDOMINIUM UNITS BY DECLARANT. Declarant contemplates sale of one hundred percent (100%) of the "Condominium Units"; however, Declarant reserves the right to retain unsold "Condominium Units" and sell, lease or rent them without the approval of other "Condominium Unit" owners.

14. WARRANTY. Declarant disclaims any intent to warrant or make representations by virtue of this Declaration, except as is set forth herein.

15. PARTITION NOT PERMITTED. Common-areas and facilities shall be owned in common by the "Owners" of "Condominium Units", and no "Owner" may bring any action for partition thereof.

16. OWNER'S RIGHT TO INGRESS AND EGRESS. Each Owner shall have the right to ingress and egress over, upon and across the common areas necessary for access to his "Condominium Unit", and shall have the right to the horizontal and lateral support of his unit, and such rights shall be appurtenant to and pass with the title to each "Condominium Unit".

17. EASEMENTS DEEMED CREATED. Each unit owner has a nonexclusive easement for and may use the common areas and facilities in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful right of the other unit owners. All conveyances of condominium units hereafter made, whether by the Declarant, or otherwise, shall be construed to grant and reserve such reciprocal easements as shall give effect to the provisions hereof and of the Bylaws of The Association, even though no specific reference to such easements appears in any such conveyance.

Without limitation to the foregoing, the "Association", its agents, employees and contractors, shall have the right to enter each unit in case of any emergency originating in or threatening such unit, or other units, and to effect maintenance and repairs which an owner is required to make but fails to make, and to maintain all improvements on the project, all regardless of any present or future encroachment(s) of the common elements upon another unit.

In the event that any portion of the common elements encroaches upon any unit, or any unit encroaches upon the common elements, or any unit encroaches upon any other unit as a result of the construction, reconstruction, repair, shifting, settlement or movement of any portion of the project, a valid easement for the encroachment or the maintenance of same shall exist so long as the encroachment exists.

18. ASSESSMENTS AND TAXATION. Each "Condominium Unit" shall be assessed and taxed separately for all taxes, assessments and other charges of the State of Alaska, or any political subdivision, or any special improvement district, or any other taxing assessing authority, including, without limitation,

LAW OFFICES OF
RAY, CHRISTIE,
FULD & SAVILLE
ANCHORAGE, AK. 99501
(907) 276-6671

special ad valorem levies and special assessments. No forfeiture or sale of any condominium unit for delinquent taxes, assessments, or other governmental charges shall divest or in any way affect the title to any other condominium unit.

19. LABOR AND MATERIAL LIENS. No labor performed or materials furnished for use in connection with any "Condominium Unit" with the consent of, or at the request of, an owner, or his agent, or subcontractor thereof, shall create any rights against any other condominium unit or against any interest in the common elements, except as to the undivided interest therein appurtenant to the condominium unit of the owner for whom such labor shall have been performed, and such materials shall have been furnished. Each owner shall indemnify and hold harmless the other owners from and against liability or loss arising from the claim of any lien against the project, or any part thereof, for labor performed, or for materials furnished on or for such owner's condominium unit.

20. RESERVATION TO GRANT EASEMENTS. Declarant reserves the right to grant, convey, transfer, cancel, relocate and otherwise deal with any and all utility easements now or hereafter located on or about the project; provided, however, that the effectiveness of any such action shall require the written consent of the holders of first mortgages on one hundred percent (100%) of the condominium units; and provided further no such action shall be taken that would substantially affect the appearance or structure of a unit; and provided further that as and when one hundred percent (100%) of the units have been sold the rights reserved under the Article shall be exercisable solely by and only by the "Association".

21. AMENDMENT. Except for changes in the percentage of undivided interest of each condominium unit owner in the common areas and facilities which shall require unanimous approval of all owners, this Declaration may be amended by affirmative vote of condominium unit owners representing seventy-five percent (75%), or more, of the total votes of all condominium unit owners; provided, however, that no substantial change shall be made to the provisions of this Declaration between the time of execution and delivery of an agreement of purchase and sale by a purchaser and the time of closing without the consent of the purchaser.

22. DAMAGE OR DESTRUCTION OF CONDOMINIUM BUILDINGS. In the event of damage or destruction of one or more Condominium Buildings, the determination as to whether to rebuild, repair, or reconstruct same in accordance with the original plan shall be by majority vote of all unit owners. Except for such a determination to rebuild, repair or reconstruct in accordance with the original plan, all other determinations shall require a unanimous vote of the unit owners.

23. PROTECTION OF MORTGAGEES.

A. Nothing in this Declaration or the Bylaws of the "Association" provided for herein to the contrary withstanding, prior written approval of the holders of first

LAW OFFICES OF
RAY, CHRISTIE, FULD & SAVILLE
ANCHORAGE, AK. 99501
(907) 272-4471

mortgages covering all or any portion of the project shall be a condition precedent to the effectiveness of any of the following action:

1. Removal of all or any portion of the property or project from the provisions of the Horizontal Property Regime Act pursuant to Alaska Statute 34.07.330, or as said statute may be amended from time to time.

2. The partition or subdivision of any unit, or of the common elements.

3. A change in the percentage interests of the unit owners, including, without limitation, such changes due to periodic reappraisal pursuant to Alaska Statute 34.07.180(b) and the Bylaws.

4. Any material amendment to this Declaration or to the Bylaws of the Owners Association.

5. The abandonment of the condominium status of the project, except for abandonment provided by statute in the case of substantial loss to the units and common elements.

B. The "Association" shall give prompt notice to holders of first mortgages of any default of an owner under these declarations or the Bylaws of the Association not cured within thirty days of the date of such default.

24. USE RESTRICTIONS.

A. Nuisances. No noxious or offensive activities (including, but not limited to, the repair of automobiles) shall be carried on upon the project. No horns, whistles, bells or other sound devices, except security devices used exclusively to protect the security of a unit and its contents, shall be placed or used in any such unit. No loud noises shall be permitted on the project, and the Board of Directors of the Association shall have the right to determine if any noise or activity producing noise constitutes a nuisance. No owner shall permit or cause anything to be done or kept upon the project which will increase the rate of insurance thereon, or which will obstruct or interfere with the rights of other owners. Each owner shall comply with all of the requirements of the local or state health authorities and with all other governmental authorities with respect to the occupancy and use of a residence.

B. No Signs. No signs, posters, displays, or other advertising devices of any character shall be erected or maintained on, or shown or displayed from, a unit without prior written approval having been obtained from the Board of Directors of the Association; provided, however, that the restrictions of this paragraph shall not apply to any sign or notice of customary and reasonable dimension which states that the premises are for rent or sale. Address, identification signs and mail boxes shall be maintained by the Association.

LAW OFFICES OF
KAY, CHRISTIE,
FULD & SAVILLE
[illegible]
ANCHORAGE, AK. 99501
[illegible]

The Board of Directors may summarily cause all unauthorized signs to be removed and destroyed. This section shall not apply to any signs used by Declarant or its agents in connection with the original construction and sale of the units.

C. Outside Installations. No basketball standards or fixed sports apparatus shall be attached to any unit without the prior written approval of the Board of Directors.

D. Pet Regulations. No animals, livestock or poultry shall be kept on the project, except that domestic dogs, cats, fish and birds in inside bird cages may be kept as household pets within any unit provided they are not kept, bred, or raised therein for commercial purposes, or in unreasonable quantitites. As used in this Declaration, "unreasonable quantities" shall be deemed to limit the number of dogs, cats and birds to two (2). The Association shall have the right to prohibit maintenance of any animal which constitutes, in the opinion of the Directors of the Association, a nuisance to any other owner. Dogs and cats belonging to owners, occupants, or their licensees or invitees within the property must be either kept within an enclosure, an enclosed balcony, or on a leash being held by a person capable of controlling the animal. The enclosure must be so maintained that the animal cannot escape therefrom and shall be subject to the approval of the Board of Directors of the Association. Should any dog or cat belonging to an owner be found unattended out of the enclosure and not being held on a leash by a person capable of controlling the animal, such animal may be removed by Declarant (or other occupant or owner within the project), or a person designated by them so to do, to a pound under the jurisdiction of the local municipality in which the property is situated and subject to the laws and rules governing said pound, or to a comparable animal shelter. Furthermore, any owner shall be absolutely liable to each and all remaining owners, their families, guests and invitees, for any damage to persons or property caused by any pets brought or kept upon the project by an owner, or by members of his family, guests, licensees or invitees.

E. Business or Commercial Activity. No business or commercial activity shall be maintained or conducted from or about any unit except that Declarant, or a person designated by the Association as the Agent of the Association for purposes of managing the project, may maintain management offices and facilities in a unit or in a temporary structure constructed on the project. Provided, however, that professional and administrative occupations may be carried on within units so long as there exists no external evidence thereof.

F. Temporary Structures. No temporary structures, boat, truck, trailer, camper or recreational vehicle of any kind shall be used as a living area while located on the project; however, trailers or temporary structures for use incidental to the initial construction of the improvements on the project may be maintained thereon; but shall be removed within a reasonable time upon completion of construction on the project.

LAW OFFICES OF
KAY, CHRISTIE,
FULD & SAVILLE
[illegible] WEST 5th AVENUE
ANCHORAGE, AK. 99501
[illegible]

G. Rubbish Removal. Trash, garbage, or other waste shall be disposed of only by depositing same, wrapped in a secure package, into designated trash containers. No owner shall permit or cause any trash or refuse to be disposed of on any portion of the project subject to this Declaration. No portion of the project shall be used for the storage of building materials, refuse or any other materials other than in connection with approved construction. There shall be no exterior fires whatsoever, except barbeque fires contained within receptacles therefor.

H. Trees. No trees may be removed from the Project without written consent from the Board of Directors of the "Association". It is the intent of this provision that all owners shall do their utmost to maintain the trees and the natural wooded surroundings of the project.

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

J. Prohibited Work. No unit owner may do any work which will jeopardize the soundness or safety of the property, reduce its value, or impair any easement or hereditament, without the unanimous written consent of all of the other unit owners being first obtained, as well as the written consent of one hundred percent (100%) of the holders of first mortgages covering all or a portion of the project. Without in any way limiting the foregoing, the puncture of any wall or floor which forms all or a part of a floor or wall separating two units is expressly prohibited.

K. MODIFICATIONS OR ADDITIONS TO COMMON AREAS. No structures, additions, buildings, fences or any other items shall be placed upon the spaces designated as common areas, including those exterior common areas designated as limited common areas, without the consent of the Board of Directors of the Association, and any such consent shall be revocable at any time, with or without cause.

25. CONDEMNATION: In case at any time or times the project or any part thereof shall be taken or condemned by any authority having the power of eminent domain, all compensation and damages for or on account of any land and improvements of the project shall be payable to such bank or trust company authorized to do business in the State of

Alaska as the Board shall designate as Trustee for all unit owners and mortgagees according to the loss or damage to their respective units and appurtenant common interest and shall be used promptly by the Association to the extent necessary for restoring or replacing such improvements on the remaining land [illegible]

Alaska as the Board shall designate as Trustee for all unit owners and mortgagees according to the loss or damage to their respective units and appurtenant common interest and shall be used promptly by the Association to the extent necessary for restoring or replacing such improvements on the remaining land according to plans therefor first approved as herein provided; provided, however, that in case a condominium building shall be substantially damaged and the condemnation proceeds are insufficient for restoration thereof, or in case restoration of the building to substantially its same size and function as immediately prior to such damage shall be prevented by any laws or ordinances then in effect, the determination as to whether to rebuild, repair or restore said building and the extent and manner thereof shall be determined by vote in accordance with Article 22, above, subject to written approval as to any modified plans by all owners of the common interests and mortgagees thereby directly affected.

Restoration of the project with less than all of the units after condemnation may be undertaken by the Association only pursuant to an amended Declaration, duly executed by the owners representing not less than one hundred percent (100%) of the common interests; consented to in writing by all holders of first mortgages affecting any of the units, the owners of which are executing such amended Declaration; removing the project from the horizontal property regime established hereby; reconstituting all of the remaining units and common elements to be restored as a new horizontal property regime; and providing for payment to each owner of a unit not to be restored of the agreed value of such unit and its common interest, which payment shall include, without prejudice to the generality of the foregoing, all of the proceeds of condemnation award payable for or on account of such condominium unit and the proportionate share of the "working capital" fund and Capital Improvement Reserve Trust Fund of the Association provided for in the Bylaws of the Association without deduction for the cost of such restoration except for proportionate share of the cost of debris removal.

Nothing in the foregoing to the contrary withstanding, if any unit ~~or~~ portion thereof or the common elements or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding, or is otherwise sought to be acquired by a condemning authority, then the holder of any first mortgage on a unit will be entitled to timely written notice of any such proceeding or proposed acquisition and no provision of any document establishing the project will entitle the owner of a unit or other party to priority over such holder with respect to the distribution to such unit of the proceeds of any award or settlement.

26. CHANGES OR MODIFICATIONS BY THE DECLARANT. Before the election of the first Board, as provided for in the Bylaws of the Association of Owners, the Declarant, or its successors or assigns, shall have the right to change or modify any or all of the terms, restrictions and covenants herein contained, or contained in the Bylaws of the "Association",

LAW OFFICES OF
KAY, CHRISTIE,
FULD & SAVILLE
ANCHORAGE, AK. 99501
(907) 276-4071

which changes or modifications shall be effective upon the recording thereof; provided, however, that, upon submission of this Declaration for the approval of interim financing by a lending institution, no changes or modifications shall be made at the initiative of the Declarant without notification being first made to the lending institution, and provided further that, if financing has already been arranged with a lending institution, that no change or modification of this Declaration shall be made without the prior written approval of such a holder of a first mortgage on an entire condominium project, and/or the holder of the first mortgage on any unit or common areas thereof.

27. BINDING EFFECT OF DECLARATIONS, BYLAWS, AND ARTICLES OF INCORPORATION OF OWNERS' ASSOCIATION: All provisions of this Declaration, the Bylaws of the Owners' Association provided for herein, and the Articles of Incorporation of said Owners' Association provided for herein shall bind and be effective upon the owners of all units of this project, their tenants, employees, contractors, and any and all other persons that may use or be on or about the project, or any part of it, in any manner.

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

28. SEVERABILITY. If any provision of this Declaration or the application thereof to any person or circumstance is held invalid by Judgment or Court Order, the remaining provisions and their application to other persons, or to other circumstances shall not be affected thereby, and shall remain in full force and effect.

29. EXPANSION OF CONDOMINIUM PROJECT: This condominium project will not be added to or expanded without the express written consent of one hundred percent (100%) of the holders of first mortgages on the condominium units herein provided for, and the written consent of one hundred percent (100%) of the owners of condominium units herein provided for.

DATED at Anchorage, Alaska, this 22d day of October, 1975.

KRIS E. GRATRIX

LAW OFFICES OF
KAY, CHRISTIE,
FULO & SAVILLE
ANCHORAGE, AK. 99501

BOOK 58 PAGE 32
Anchorage Recording District

STATE OF ALASKA)
: ss.:
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 22 day of October, 19 75, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn as such, personally appeared KRIS E. GRATRIX, known to me and to me known to be the individual described in and who executed the foregoing instrument, and acknowledged to me that he signed and sealed the same freely and voluntarily for the uses and purposes therein mentioned.

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

Notary Public in and for Alaska
My Commission Expires: 7/1/77

LAW OFFICES OF
RAY, CHRISTIE, FULD & SAVILLE
[illegible] WEST 6TH AVENUE
ANCHORAGE, AK. 99501
([illegible]) 272-[illegible]

KAPINGEN CONDOMINIUMS DECLARATION

EXHIBIT "A"

DESCRIPTION OF UNITS

The 11 units in this project are numbered 1-11 inclusive. Unit 1 is the Southerly most unit and the units are numbered consecutively in a Northerly direction.

Each unit contains three levels designated as "floors" on the above referred to Floor plans. Each floor of each unit contains approximately 800 square feet.

The first floor of each unit is garage space. The floor is a poured concrete slab and there are stairs from the first floor level to the second floor level.

The second floor of each unit is divided into a living room, kitchen-dining area and 1/2 bath.

The third floor of each unit, except Unit 4 and 11, is divided into a master bedroom and two smaller bedrooms; a 3/4 bath with vanity in the master bedroom; a full bath and walk-in closets.

The third floors of Units 4 and 11 are essentially the same as the other units except that they contain only two bedrooms.

LAW OFFICES OF
KAY, CHRISTIE,
FULD & SAVILLE
ANCHORAGE, AK.

KAPINGEN CONDOMINIUMS DECLARATION

EXHIBIT "B"

DESCRIPTION OF LIMITED COMMON AREAS AND FACILITIES

The following common areas and facilities are reserved for the use of the particular units set forth below to the exclusion of the other units in the project:

1. Balconies located at the second floor level each unit as identified on the above referred to floor plans by the Unit Number preceded by the letter B are reserved for the exclusive use of each such unit.

2. Balconies located at the third floor level of each unit as identified on the above referred to floor plans by the Unit Number preceded by the letter B and followed by the letter A are reserved for the exclusive use of each such unit.

3. Decks located approximately two inches below the second floor level of each unit as identified on the above referred to floor plans by the Unit Number preceded by the letter D are reserved for the exclusive use of each such unit.

4. Exterior stairways from grade to the Decks referred to in 2 above as identified on the above referred to floor plans by the Unit Number preceded by the letter L are reserved for the exclusive use of each such unit.

5. Parking spaces located at the first floor level of each unit as identified on the above referred to survey maps by the Unit Number preceded by the letter P are reserved for the exclusive use of each such unit.

LAW OFFICES OF
KAY, CHRISTIE,
FULD & SAVILLE
700 W. 3rd AVENUE
ANCHORAGE, AK. 99501
(907) 276-4871

BOOK 58 PAGE 35
Anchorage Recording District

KAPINGEN CONDOMINIUM DECLARATION

EXHIBIT "C"

VALUE OF UNITS AND UNDIVIDED INTEREST
IN COMMON AREAS AND FACILITIES

UNIT NUMBER	VALUE	UNDIVIDED INTEREST IN COMMON AREAS
1	$ 67,266	9.09 percent
2	$ 67,266	9.09 percent
3	$ 67,266	9.09 percent
4	$ 67,266	9.09 percent
5	$ 67,266	9.09 percent
6	$ 67,266	9.09 percent
7	$ 67,266	9.09 percent
8	$ 67,266	9.09 percent
9	$ 67,266	9.09 percent
10	$ 67,266	9.09 percent
11	$ 67,340	9.10 percent
TOTAL:	$ 740,000	100 percent

LAW OFFICES OF
KAY, CHRISTIE,
FULD & SAVILLE
ANCHORAGE, AK.