

**DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS
FOR
BEAR RIDGE**

RECITALS

The Declarant, Bear Ridge, LLC, ("Declarant"), deems it desirable to establish covenants, conditions and restrictions upon the below described property and each and every lot and portion thereof which will constitute a general scheme for the use, occupancy, and enjoyment thereof for the purpose of enhancing and protecting the value, desirability and attractiveness thereof.

NOW, THEREFORE, Declarant hereby declares that all of the property described below shall be held, sold, and conveyed subject to the following covenants, conditions and restrictions which are for the purpose of protecting the value and desirability of, and shall run with, the real property and be binding on and inure to the benefit of all parties having any right, title and interest in the real property and any part thereof, including their legal representatives, heirs, successors and assigns.

**ARTICLE I
DEFINITIONS**

The following terms used in these covenants, conditions, and restrictions shall be applicable to this Declaration and are defined as follows:

Section 1. "Covered Property" shall mean and refer to all the real estate described as:

Bear Ridge Subdivision, Palmer Recording District, State of
Alaska

Parcel No. 1:

North one-half of the Northeast one-quarter of the Southeast one-quarter of the Southeast one-quarter (N1/2 NE1/4 SE1/4 SE1/4) of Section 10, Township 22 North, Range 4 West, Seward Meridian, located in the Palmer Recording District, Third Judicial District, State of Alaska.

Parcel No. 2:

Southwest one-quarter (SW1/4) of Section 10, the West one-half of Southeast one-quarter (W1/2 SE1/4) of Section 10, the West one-half of the Southeast one-quarter of the Southeast one-quarter



(W1/2 SE1/4 SE1/4) of Section 10, the Southeast one-quarter of the Southeast one-quarter of the Southeast one-quarter (SE1/4 SE1/4 SE1/4), and the South one-half of the Northeast one-quarter of the Southeast one-quarter of the Southeast one-quarter (S1/2 NE1/4 SE1/4 SE1/4) of Section 10, Township 22 North, Range 4 West, Seward Meridian, located in the Palmer Recording District, Third Judicial District, State of Alaska.

Section 2. "Declaration" shall refer to this instrument with all exhibits hereto as amended or supplemented from time to time.

Section 3. "Dwelling" shall mean a single family residential dwelling unit together with garage, guest house and other structures on the same Lot as permitted by this Declaration in Article III, Section (g).

Section 4. "Lot" shall mean and refer to each of the lots in the Covered Area.

Section 5. "Mortgage, Mortgagee, Mortgagor." Reference in this Declaration to mortgage shall be deemed to include a deed of trust; reference to a mortgagee shall be deemed to include the beneficiary of a deed of trust; reference to a mortgagor shall be deemed to include the trustor of a deed of trust.

Section 6. "Owner" shall mean and refer to one or more persons or entities who alone or collectively are recorded owners of a fee simple title to a Lot, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Plat" shall mean and refer to the plat of the property described in Article I, Section 1 above.

ARTICLE II SCOPE OF DECLARATION

Section 1. Property Subject to Declaration. The real property, which is and shall be held, transferred, sold, conveyed, leased, or occupied subject to this Declaration, is identified in Article I, Section 1 above.

Section 2. Conveyances Subject to Declaration. All covenants, conditions, restrictions, easements, reservations, liens, charges, rights, benefits, and privileges, which are granted, created, reserved, or declared by this Declaration shall be deemed to be covenants appurtenant, running with the land and shall at all times inure to the benefit and be binding on any person having at any time any interest or estate in any part of the Covered Property. Reference in a deed of conveyance, lease, mortgage, trust deed, other evidence of obligation, or other instrument to the provisions of this Declaration shall be sufficient to create and reserve all of the covenants, conditions, restrictions, easements, reservations, liens, charges, rights, benefits and privileges, which are granted, created,



reserved, or declared by this Declaration, as fully and completely as though they were set forth in their entirety in any such document.

ARTICLE III
ARCHITECTURAL CONTROL

No dwelling or outbuilding shall be commenced, erected or maintained upon Covered Property, nor shall any exterior addition to or change or alteration in any such structure, be made which is not in conformance with the provisions of this Declaration.

Section 1. Construction Practices. All improvements to the Covered Property shall be done by contractors that are certified, licensed and bonded in the State of Alaska or by property Owners working on their own property. All construction shall be completed to a high standard using the Uniform Building Code as a gauge and reference.

Section 2. Architectural Standards. Architectural Standards include the following:

- (a) The owner of each lot shall obtain a driveway permit from the Matanuska-Susitna Borough and construction of driveways shall conform with that permit. Some lots have specified locations for driveways and said driveways must be placed in those locations.
- (b) It is the intention and purpose of these covenants that all improvements be of a high quality of workmanship and materials. Out buildings shall be of the same construction and appearance equal to Dwelling's standard, utilizing proper foundation and siding. Nothing other than log, stone, brick or manufactured siding is permitted.
- (c) All Dwellings, exclusive of out buildings, must have a finished exterior within one (1) year from the start of construction. All out buildings must be fully completed within six (6) months from commencement of construction
- (d) No building shall be located on any Lot nearer to any lot line than twenty-five (25) feet, on any easement, or within any setbacks established by the Matanuska-Susitna Borough.
- (e) No more than twenty (20) percent of standing trees shall be cleared from any Lot. No clearing shall be permitted within twenty-five (25) feet of side property lines. Trees may be thinned so long as maximum natural beauty and the aesthetic value of trees are retained. The natural vegetation mat within seventy-five (75) feet of the ordinary high water mark of Caswell Creek shall not be



disturbed or removed except for installation of utilities, walkways, decks and porches. Disturbance within seventy-five (75) feet of the ordinary high water mark adverse impact to water quality and fish and wildlife habitat. All stumps and vegetation that is excavated on the Lot for any reason (e.g. installation of driveways, foundations, septic systems, etc.) shall be buried or removed and the excavated area shall be seeded or covered with the appropriate finish.

- (f) Any fence or barrier must be constructed with a high quality of workmanship and materials. Fences and/or barriers shall not be constructed of scrap material, pallets, tarps, or any other material not ordinarily used for permanent fencing. No fence or barrier of any kind may be installed in violation of any federal or state statute, or ordinance of the Matanuska-Susitna Borough as presently enacted or as may be hereafter enacted or amended.
- (g) The following structures shall be permitted:
 - (i) No more than one single family dwelling which must have a main floor size of at least three hundred and twenty (320) square feet. The height shall not exceed three (3) (above ground) stories. Duplexes and other multi-family dwellings are prohibited.
 - (ii) No more than one (1) detached garage not to exceed one thousand, five hundred (1,500) square feet.
 - (iii) No More than (1) one quest house not to exceed one thousand, five hundred (1,500) square feet.
 - (iv) No more than one (1) generator shed.
 - (v) No more than one (1) outhouse.
 - (vi) Decks, porches and gazebos are also permitted.
- (h) Docks on Caswell Creek are prohibited.

ARTICLE IV
OWNERS MAINTENANCE OBLIGATIONS

Section 1. Maintenance. Every owner of improved Lots shall:



- (a) Maintain the Dwelling and other permitted structures and improvements on the Lot in good condition and repair. No discarded or inoperable appliances, furniture or other similar items of personal property shall be kept out of doors on any Lot.
- (b) Maintain an attractive and viable condition of landscaping on the Lot.

Section 2. Standards for Maintenance. Maintenance of the exterior of the Dwellings, walls, roofs, shall be accomplished with the architectural standards for the Covered Property.

ARTICLE V USE RESTRICTIONS

Section 1. General Provisions.

- (a) All restrictive covenants listed and/or contained herein are subject in all instances to compliance with all applicable laws (including ordinances, regulations and restrictions) of the United States, State of Alaska and the Matanuska-Susitna Borough together with the provisions of the Plat for the Plat.
- (b) Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any of the Declarations, the Plat and any law applicable to the use of any Lot; either to restrain such violation(s), to recover damages, or levy fines, assessments, charges or interest.

Section 2. Business or Commercial Activity. Business or commercial activities shall be confined to the Lot and shall not be visible from neighboring lots. Signs shall be limited to one (1) unlighted sign not to exceed 4' x 8' in size and said sign must be placed on the Lot and shall not encroach on road right-of-way or easements.

Section 3. Nuisances. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be, or may become, a nuisance, or cause unreasonable embarrassment, disturbances or annoyance to other Owners in the enjoyment of their Lots or the neighborhood. Unreasonably loud sounds from any source shall be considered a nuisance under this paragraph.

Section 4. Temporary Structures. No structure of a temporary nature, shack or Quonset hut, residential trailer, prefabricated or mobile homes shall be used on any Lot at any time. Travel trailers, campers or motor homes may be used by Lot owners as recreational housing on a temporary basis (not to exceed an aggregate of one hundred eighty (180) days) from the commencement of any improvement



to the Lot until a permanent Dwelling has been constructed. Travel trailers and motor homes may not at any time be skirted or attached to the land.

Section 5. Pets, Livestock and Poultry. No animals, sled dogs, livestock, or poultry of any kind shall be raised, bred or kept on any Lot for commercial purposes. A total of not more than three (3) dogs, cats, horses or other household pets may be kept on each Lot provided that they are not kept, bred, or maintained for any commercial purpose. Poultry is strictly prohibited. No vicious dogs as defined by any ordinance of the Matanuska-Susitna Borough shall be kept on any Lot. Not pet shall be allowed to leave the Lot at any time unless that pet is accompanied by and under effective voice or leash control of a person. All kennels shall be located near the Dwelling in a place that conceals its visibility from the street.

Section 6. Garbage Disposal. No trash cans, garbage cans, trash barrels, boxes or other refuse containers shall be place or maintained on or along the side or front of any Lot adjacent to streets or other public right-of-ways. No burning of trash, garbage refuse or other waste shall be permitted at any time. No Lot shall be used or maintained as a dumping ground for rubbish. All trash containers shall be screened from view from any public right-of-way.

Section 7. Water and Sewer. All Dwellings shall be serviced by either on-site water and sewage disposal systems or outhouses which must comply with specifications of the Matanuska-Susitna Borough and/or the State of Alaska Department of Environmental Conservation and the Alaska Department of Health, if appropriate.

Section 8. Vehicle Restrictions and Storage. No vehicle may be parked upon any street, easement or public right-of-way. The presence of vehicles, trailers and equipment on Lots shall be in compliance with the following provisions:

- (a) Service vehicles and equipment for the construction or repair of improvements to the Lot and delivery of materials and possessions are permitted for those purposes only and only so long as necessary to promptly complete such activities. Equipment storage is not permitted unless it is completely screened from view of neighboring Lots and right-of-ways.
- (b) Except for bona fide visitors, no more than four (4) motor vehicles may be kept on a lot, except for those housed in a garage. In addition a travel trailer, camper or motor home may be kept on a Lot but may not be used as a permanent residence. In addition, no more than two (2) boat, ATV, snow machine or utility trailers, except those housed in a garage, may be kept at a Lot. All of the above mentioned vehicles must be in operating condition and currently licensed.



- (c) All campers, motor homes, and trailers of any type must be parked at least twenty-five (25) feet from lot lines, fifty (50) feet from the street and seventy-five (75) feet from the ordinary high water mark of Caswell Creek.

Section 9. Petroleum Provisions. No oil drilling, tunneling, oil development operations, refining, quarrying, or mining or mineral excavation operations of any kind shall be permitted upon or under any Lot. No derrick, oil well, shaft or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

All Lots will be permitted fuel storage tanks for home heating/cooking use. All on-site fuel storage tanks must be approved by the State of Alaska Department of Environmental Conservation and/or any other entity that has jurisdiction over the installation of fuel storage facilities. Fuel storage facilities shall be screened streets.

Section 10. Easements. Easements for access and installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat or as indicated by the public records for the Matanuska-Susitna Borough. Within these easements, no structure, plants, or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of the flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements or which will obstruct access in any way.

Section 11. Re-subdivision. The Lots herein described shall not be reduced in size by re-subdivision, except Owners of three (3) contiguous Lots may divide the inner or middle Lot, thus increasing the size of the two (2) remaining Lots which shall then be created for all purposes pertinent to these Covenants as enlarged single Lots. Lots may be combined to create larger Lots. See also Article IV, section 1.

Section 12. Exterior Lighting. Any exterior lighting erected on any Lot shall be shaded so as to not create a nuisance to the Owners of adjacent Lots or to users of the roadways.

Section 13. Generators. Generators shall be kept in detached and soundproof sheds which shall be within fifty (50) feet of the Dwelling.

ARTICLE VI
DEVELOPMENT RIGHTS AND OTHER SPECIAL DECLARANT RIGHTS

Section 1. Special Declarant Rights. The Declarant reserves the following Special Declarant Rights:



- (a) The right to complete or make improvements indicated on the Plat and Plans;
- (b) The right to maintain a sales office or management office on any of the Lots.
- (c) The right to maintain signs in the Covered Property to advertise the Lots and construction of residences on the Lots.
- (d) The right to use, and permit others to use, easements as may be reasonably necessary for the purpose of discharging the Declarant's obligations and rights under this Declaration.
- (e) The right to exercise any Development Right including the rights to:
 - (i) add real estate presently outside the Covered Property; and
 - (ii) complete the subdivision according to the Plat (Master Plan).
 - (iii) further subdivide "Tract B" as it is shown on the Plat and create additional Lots. Declarant may, at the time it adds any additional Lots and/or Common Areas to the Covered Property, specify changes to the restrictions on use, occupancy, and alienation, as well as standards for architectural control for the additional Lots and/or Common Areas; and
 - (iv) withdraw real estate from the Covered Property; and
 - (v) convey utility and drainage easements to utility companies and the Matanuska-Susitna Borough, respectively, in Declarants own name.

Section 2. Limitations on Special Declarant Rights: Unless sooner terminated by a recorded instrument signed by the Declarant, any Special Declarant Right may be exercised by the Declarant for twenty-five (25) years.

Section 3. Lot Ownership by Declarant: Until Declarant no longer owns any Lots or Tracts in the Covered Property, the Declarant and his duly authorized agents, representatives, and/or employees may maintain any Lot Owned by Declarant as a model Lot, sales/construction office or management office.

ARTICLE VII



GENERAL PROVISIONS

Section 1. Enforcement. Any Owner, shall have the right to enforce by proceedings at law or in equity, all restrictions, conditions, covenants, and reservations, now or hereafter imposed by the provisions of this Declaration or any amendment hereto, including the right to prevent the violation of any such restrictions, conditions, covenants or reservations and the right to recover damages or other dues for such violation. Failure by an Owner to enforce any covenant, condition or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. These covenants and restrictions are severable. Invalidation of any one of these covenants, conditions or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 3. Term. The covenants, conditions and restrictions of this Declaration shall run with and bind the subdivision property, the parties hereto, and all persons claiming under them and shall inure to the benefit of and be enforceable by any Lot Owner, their respective legal representatives, heirs, successors and assigns, for a term of twenty-five (25) years from the date this Declaration is recorded, after which time said covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years, unless an instrument, signed by sixty-six and two-thirds percent (66 2/3%) of the then Owners has been recorded, agreeing to change said covenants, conditions and restrictions in whole or part. The purchase of any Lot in the Covered Property shall constitute an agreement on the part of such purchaser to be bound by these protective covenants in their entirety and to abide by them.

Section 4. Construction. The provisions of this Declaration shall be liberally constructed to effectuate its purpose of creating a uniform plan for the administration of a residential community and for the maintenance of the Covered Property. The article and section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions or interpretation or construction.

Section 5. Amendments. Except for termination, this Declaration of Covenants, Conditions and Restrictions may be amended at any time by an affirmative vote of sixty-six and two-thirds percent (66 2/3 %) of the Lot Owners. Upon vote of sixty-six and two-thirds percent (66 2/3 %) of said Lot Owners, they may make amendments and additions to these covenants, conditions and restrictions as they deem appropriate and shall cause to be recorded in the Palmer Recording District a written instrument amending this Declaration.



Section 6. Singular Includes Plural. Whenever the context of this Declaration requires the same, the singular shall include the plural and the masculine shall include the feminine.

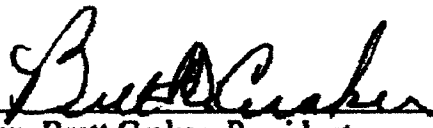
Section 7. Failure of Owner or Occupant to Comply. The failure of any Lot Owner or occupant of a Lot to comply with provisions of the Declaration will give rise to a cause of action by any aggrieved Owner for the recovery of damages, or for injunctive relief, or both.

Section 8. Arbitration. Any dispute, controversy, or claim arising out of, or in connection with, or in relation to this Declaration shall be submitted and determined by arbitration. Except as otherwise provided herein, the arbitration shall be in accordance with the Uniform Arbitration Act as codified in Alaska Statutes (AS 09.43.010 *et. seg.*). All disputes shall be resolved by one arbitrator who must be an attorney licensed to practice in Alaska for at least five (5) years. If the parties cannot agree to an arbitrator within seven (7) days from service of written demand for arbitration upon all parties, the Superior Court at Anchorage shall make the appointment. All arbitration hearings shall be held in Anchorage. The party initiating arbitration shall pay any deposit reasonably required by the arbitrator. However, the arbitrator shall assess all arbitrator's fees and other costs related to the conduct of the hearing against the non-prevailing parties. Except as provided in AS 09.43.070 there shall be no depositions. However, the arbitrator may compel the parties to produce and/or exchange documents prior to the hearing.

Section 9. Use Restrictions. The Covered Property is subject to all ordinances, regulations, statutes, and other laws of the State of Alaska and the Matanuska-Susitna Borough (hereinafter called State and Local Laws). The fact that a use may be permitted by this Declaration shall not be deemed as a representation, authorization or warranty by Declarant, its agents or successors that such use is permitted by State and Local Laws. Each person or entity who acquires any Lot in the Covered Property shall be deemed to have knowledge of all State and Local Laws which pertain to the Covered Property.

IN WITNESS WHEREOF, the undersigned Declarant and/as Owner of the Lots in the Covered Property has executed this instrument, the day and year written below.

American Properties of Utah, Inc.

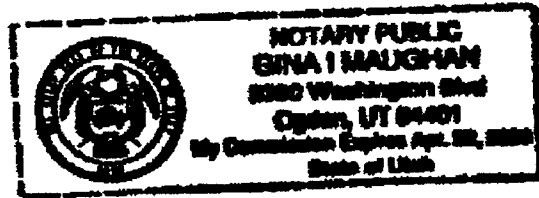

By: Brett Craker, President
American Properties of Utah, Inc.



STATE OF UTAH)
) SS.
COUNTY OF WEBER)

THIS IS TO CERTIFY that on this 2nd day of November, 2005, before me, the undersigned, appeared Brett D. Craker, who acknowledged being the Registered Agent of Bear Ridge, LLC, and voluntarily signing and sealing the foregoing instrument on behalf of said Company, and being authorized so to do.

Gina I. Maughan
Notary Public in and for Utah
My Commission Expires: 4-22-08



RETURN TO: MARTIN BARTEL
H.C. 89 Box 417
WILLOW AK. 99688



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ACCEPTANCE AND APPROVAL

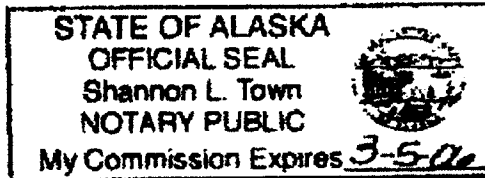
The undersigned owners of Lots within the Covered Property, hereby accept and approve the foregoing.

Monica J. Moore
By: Monica Moore
Owner of Lot 5, Block 6, Bear Ridge

STATE OF ALASKA)
) SS.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 13th day of December 2005, before me appeared Monica Moore, to me known and known to me to be the individual named in and who executed the foregoing instrument, and acknowledged voluntarily signing and sealing the same.

Shannon L. Town
Notary Public in and for Alaska
My Commission Expires: 3-5-06



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2005-035403-0