

KEYES POINT DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION is made this 7th day of February,
1984, by the undersigned, Nondalton Native Corporation an Alaska
Corporation, hereinafter referred to as the "Developer."

Preamble

WHEREAS, the Developer is the owner of the real property de-
scribed in Exhibit A of this Declaration and desires to create thereon
the first section of the Community of Keyes Point as a planned
community with common properties for the benefit of the said
community; and

WHEREAS, the Developer desires to provide for the preservation
and enhancement of the property values, amenities, and opportunities in
said community contributing to the personal and general health, safety,
and welfare of residents and for the maintenance of the land and im-
provements thereon, and to this end desires to subject the real
property described in Exhibit A, together with such additions as may
hereafter be made thereto (as provided in Article II), to the covenants,
restrictions, easements, charges, and liens hereinafter set forth, each
and all of which is and are for the benefit of said property and each
owner thereof; and

WHEREAS, to provide a means for meeting the purposes and
intents herein set forth, the Developer has incorporated under the laws
of the state of Alaska the Keyes Point Property Owners Association.

NOW, THEREFORE, the Developer declares that the real property
described in Exhibit A, and such additions thereto as may hereafter be
made, pursuant to Article II hereof, is and are and shall be held,

transferred, sold, conveyed, and occupied subject to the covenants, restrictions, easements, charges, and liens hereinafter set forth;

AND FURTHER, the Developer hereby delegates and assigns to the Keyes Point Property Owners Association the power of owning, maintaining, and administering the common properties, administering and enforcing the covenants and restrictions, collecting and disbursing the assessments and charges hereinafter created, and promoting the recreation, health, safety, and welfare of the residents.

Article I

Definitions

Section 1. "Articles and Bylaws" shall mean and refer to the Articles of Incorporation and Bylaws of the Association, as the same may be adopted by the incorporators and the initial Board of the Association, and as the same may be amended from time to time.

Section 2. "Association" shall mean and refer to the Keyes Point Property Owners Association and its successors and assigns.

Section 3. "Association Rules" shall mean and refer to rules adopted by the Association in accordance with its Articles, Bylaws, and this Declaration.

Section 4. "Cluster" shall mean and refer to the additional property, Lots or Living Units subject to the same Supplementary Declaration establishing such cluster. Any Supplementary Declaration may establish any type of unit of real property authorized by law including, but not limited to, lots and condominium units.

Section 5. "Common Expenses" shall mean and refer to the cost of management and administration of the Association, reasonable reserves as appropriate, taxes if any, costs incurred by the Architectural

Review Board or any other cost or expense incurred by the Association for any reason whatsoever in connection with this declaration, its Articles and Bylaws, or in furtherance of the purposes of the Association, or in the discharge of any obligations imposed on the Association by this Declaration.

Section 6. "Common Property" or "Common Properties" shall mean and refer to all real property and improvements thereon owned by the Association or over which the Association has an easement (exempting Lots and Living Units thereon) for the use and enjoyment of the members. They are as follows:

(a) The developer has conveyed to the Association an easement for a road and utilities. The developer will build a narrow (12 foot travel surface), gravel road on this easement suitable for some conventional automobiles, four wheel drive vehicles, and all terrain vehicles. Title to the land covered by this easement will be conveyed to the Association as provided in Article V, Section 2.

(b) The Developer will convey to the Association an airstrip, an area for aircraft parking, and a road leading from the airstrip to the road described in subpart (a) of this section. The exact location of the airstrip has not been specifically identified but it will be on Keyes Point and will be a minimum of 3,000 feet long and a minimum of 50 feet wide. It will have a gravel surface. Associated with the airstrip, there shall be an aircraft parking area of approximately one (1) acre in size, and a narrow gravel road leading to the road described in subpart (a) of this section. The airstrip and aircraft parking area shall be conveyed on or before December 31, 1986.

(c) The Developer reserves the right to improve or increase the size of the common properties, and specifically reserves the right to extend the road system throughout the properties. In the event the developer makes such improvements, increases, or extensions, the Association is obligated to assume ownership, operation, and maintenance of the same at such time as the developer shall convey them to the Association.

Section 7. "Declaration" shall mean and refer to the covenants, conditions and restrictions and all other provisions herein set forth in this entire document, as they may from time to time be amended.

Section 8. "Developer" shall mean and refer to Nondalton Native Corporation, an Alaska corporation, and its successors and assigns; provided, however, that no successor or assignee of the Developer shall have any rights or obligations of the Developer hereunder unless such rights and obligations are specifically set forth in the instrument of succession of assignment or unless such rights and obligations pass by operation of law. In the event another, other than the first Developer comes to stand in the same relation to the project as the first Developer, that Developer shall hold the same rights and obligations as would then have been held by the first Developer.

Section 9. "Development Plan" shall mean and refer to the total general scheme of intended uses of land in the Properties, as illustrated in Exhibit C hereof, as may be amended from time to time, and as further defined in Article II, Section 3.

Section 10. "Governing Documents" shall mean and refer to the Articles of Incorporation of the Association, this Declaration, Supplementary Declarations, and the Association Bylaws, all as initially drawn

by the Developer and filed and recorded as the case may be, and all as may be duly amended from time to time.

Section 11. "Hotel/Lodge" shall mean and refer to commercial establishments providing rooms and living facilities on a regular basis to the public. It shall include apartment buildings. Each room or unit within a hotel/lodge rented as sleeping quarters for a single family shall be deemed a Living Unit.

Section 12. "Interval Ownership Entity" shall mean and refer to any Living Unit the ownership to which is divided to provide for rights to use during separate intervals of time. Any such entity shall be treated as a single Living Unit.

Section 13. "Living Unit" shall mean and refer to any portion of a structure situated upon the Properties and designed and intended for use and occupancy at any given point in time by a Single family. It shall additionally refer to Hotel/Lodge rooms as described in Article 1, Section 11 and Living Units owned by Interval Ownership Entities as described in Section 12.

Section 14. "Lot" shall mean and refer to any plot of land shown on any recorded subdivision map of the Properties, with the exception of Common Properties as hereinbefore defined.

Section 15. "Member" shall mean and refer to all those Owners who are members of the Association as provided in Article III, Section 1 hereof.

Section 16. "Mortgage, Mortgagee, and Mortgagor." Reference in this Declaration to a "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; and reference to a "Mortgagor" shall be deemed to include the trustor of a deed of trust.

Section 17. "Notice" shall mean and refer to (1) written notice delivered personally or mailed to the last known address of the intended recipient.

Section 18. "Owner" shall mean and refer to (1) the record holder of the fee simple title to any Lot or Living Unit, whether one or more persons or entities; the term shall exclude those having such an interest merely as security for the performance of an obligation.

Section 19. "Properties" shall mean and refer to all real property which is hereby subjected to the Declaration, together with such other real property as may from time to time be annexed thereto under the provisions of Article II hereof.

Section 20. "Single family" shall mean and refer to a single housekeeping unit.

Section 21. "Supplementary Declaration" shall mean and refer to any declaration of covenants and restrictions which may be recorded by the Developer, which extends the provisions of this Declaration to an addition to the properties or which contains such complementary provisions for such addition as are deemed appropriate by the Developer and/or as are herein required.

Article II

Property Subject to This Declaration

Additions Thereto

Section 1. The "Properties." The real property which is and shall be held, transferred, sold, conveyed, and occupied subject to this

Declaration is located in the Third Judicial District of the State of Alaska and is more particularly described in Exhibit A.

Section 2. Additions to the Properties. Additional properties may become subject to this Declaration in the following manner:

(a) Additions by the Developer. The Developer shall have the right to subject to this Declaration any additional property which lies within the land area represented by the Development Plan, attached hereto as Exhibit B, as it may be amended from time to time, provided that no addition shall be made after more than five years have lapsed since the filing of the last Supplementary Declaration which subjects additional land to this Declaration.

(b) Other Additions. Additional land other than that described above, may be annexed to the Properties upon approval of seventy-five percent of the votes of a Quorum of Owners. For purposes of this section, a quorum of Owners is seventy-five percent (75%) of the votes representing Owners of all Lots and Living Units.

The additions authorized under subsections (a) and (b) shall be made by complying with any requirements of state and local governments regarding subdividing and by filing of record one or more Supplementary Declarations of covenants and restrictions with respect to the additional property.

Nothing contained in this Declaration shall require the Developer to file any Supplementary Declaration, and the terms and conditions of this Declaration, and the privileges, rights and obligations associated therewith, shall be made applicable to any addition only in the event the Supplementary Declaration adding said property specifically so provides. No Supplementary Declaration subjecting any additional land to this

Declaration need incorporate the terms and provisions of Article VII and/or VIII of this Declaration. No Supplementary Declaration shall require the Association to provide for ownership or maintenance of any Common Properties other than those, together with improvements, increases, or extensions, described in Article I, Section 6, but it may permit the Owners of Lots and Living Units within the additional property to enjoy the benefits and use of the Common Properties described in Article I, Section 6, provided that the terms and provisions of Articles I through VI, and IX of this Declaration are made applicable to the additional real property.

Section 3. The Development Plan.

(a) Purpose. The Development Plan, illustrated in Exhibit B, is the dynamic design for the staged development of the Properties as a planned community which will be regularly modified and amended, as provided herein, during the several years required to build the community. Because the Development Plan is a temporary design, it shall not bind the Developer to make any of the additions to the Properties which are shown on the Development Plan or to improve any portion of such lands in accordance with the Development Plan unless and until a Supplementary Declaration is filed by the Developer subjecting such property to this Declaration.

(b) Amendments. The Developer hereby reserves the right to amend the Development Plan for lands which have not yet been made subject to this Declaration, in response to changes in technological, economic, environmental, or social conditions related to the development or marketing of the Properties or in response to changes in requirements of government agencies and financial institutions.

Section 4. Merger. In accordance with its Articles of Incorporation, the property, rights, and obligations of the Association may, by operation of law, be transferred to another surviving or consolidated association similar in corporate nature and purposes or, alternatively, the property, rights, and obligations of an association similar in corporate nature and purposes may by operation of law be added to the property, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation, change, or addition to the covenants established by this Declaration within the Properties except as hereinafter provided. Such a merger or consolidation shall require the assent of seventy-five percent of the votes of a Quorum of Owners, which for purposes of this section shall be seventy-five percent (75%) of the votes of the Owners of all Lots and Living Units subject to this Declaration.

Section 5. Additions to Common Properties. The developer may improve or increase the size of the Common Properties. In particular, but without limiting the developer by the act of listing hereafter, the developer may extend the road system throughout the properties, widen the road, pave the road, build a dock for unloading floatplanes where the road meets Ishuk Lake, lengthen and widen the airstrip, pave the airstrip, and increase the size of the aircraft parking area. The developer need not obtain the consent of the Association for such improvements, increases, and extensions. The completion of such improvements, increases, and extensions shall be made at the developer's expense, but the Association shall be obligated to assume

ownership, operation, and maintenance of the same at such time as the developer shall convey the same to the Association.

The Association may make similar improvements, increases, and extensions, at its expense, if its board of directors determines that any such improvement, increase, or extension is in the best interests of its Members. New real or personal property, other than improvements, increases, and extensions as described above, may be added to the Common Properties, but only upon approval of two-thirds (2/3) of a quorum of the votes of each class of members, which shall be seventy five percent (75%) of the total.

ARTICLE III

Keyes Point Property Owners Association

Section 1. Organization.

(a) The Association. The Association is a nonprofit, nonstock corporation organized and existing under the laws of the State of Alaska and charged with the duties and vested with the powers prescribed by law and set forth in the Governing Documents, as such maybe amended from time to time, provided no other Governing Documents than this Declaration shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

(b) "Cluster Association." A Cluster shall be established by recording a Supplementary Declaration which sets forth its boundaries, purposes, and membership constituency and the rights and obligations which may be unique to the Members of such Cluster. An incorporated nonprofit property owners association may be established for each such Cluster, and each association may own common areas and properties and be responsible for such matters as described in the Supplementary Declaration.

(c) **Subsidiary Corporations.** The Association shall have the right to form one or more subsidiary corporations, for any purpose or purposes deemed appropriate by a majority vote of the Board of Directors. Without limiting the generality of the foregoing, one or more subsidiary corporations may be formed for the operation and maintenance of the airstrip and related service areas or of any specific area or to perform any function within the Properties; however, such subsidiary corporation shall be subject to this Declaration and may not take any action to lessen or abate the rights of Members.

Section 2. General Duties and Powers of the Association.

In addition to the duties and powers enumerated in its Articles and Bylaws, or elsewhere provided for herein, and without limiting the generalities thereof, the Association shall:

(a) Enforce the provisions of this Declaration by appropriate means, including without limitation, the expenditure of funds of the Association, the employment of legal counsel, the commencement of legal actions, and the promulgation of association rules. Such rules may include the establishment of a system of fines and penalties enforceable as special assessments.

(b) Maintain such policy or policies of insurance, including hazard and liability insurance for Common Properties, as the Board of Directors deems necessary or desirable in furthering the purpose of protecting the interests of the Association and its members.

(c) Contract with independent contractors to manage or to perform all or any part of the duties and responsibilities of the Association.

(d) Establish and maintain a working capital and contingency fund.

(e) Maintain and operate the Common Property in such fashion as it deems necessary and appropriate.

(f) Provide for an Architectural Review Committee.

Section 3. Articles, Bylaws and Rules. The Association shall have the power to adopt, amend, and repeal articles, bylaws and such rules and regulations as it deems reasonable; provided that the provisions thereof are not in conflict with this Declaration. The adoption of articles and bylaws shall be performed in conformance with applicable law for nonprofit corporations incorporated in the State of Alaska.

Article IV

Membership and Voting Rights in the Association

Section 1. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot or Living Unit which is subject by the founding documents to assessment by the Association shall be a member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a member.

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

Class A. Class A members shall be all those owners as defined in Section 1 with the exception of the Developer. Class A members shall be entitled to one vote for each Lot or Living Unit in which they hold the interests required for membership by Section 1. When more than one person holds such interest or interests in any lot or Living Unit all such persons shall be members, and the vote for such Lot or Living Unit shall be exercised as they among themselves determine, but in no

event shall more than one vote be cast with respect to any such Lot or Living Unit.

Class B. The Class B member shall be the Developer. The Class B member shall be entitled to three votes for each Lot or Living Unit in which it holds the interest required for membership by Section 1 provided that the Class B membership shall cease and become converted to Class A Membership on the happening of any of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(b) on December 31, 1986.

From and after the happening of these events, whichever occurs earlier, the Class B member shall be deemed to be a Class A member entitled to vote for each Lot or Living Unit in which it holds the interest required for membership under Section 1.

Section 3. Board of Directors.

(a) The affairs of this Association shall be managed by a Board of three (3) Directors, who need not be members of the Association. The number of directors may be changed by amendment of the Bylaws of the Association.

(b) Powers and Duties of the Board of Directors. The Board of Directors may:

(1) adopt and publish rules and regulations governing the use of the Common Properties, and to establish penalties for the infraction thereof;

(2) suspend the voting rights and right to use of the Common Properties of a member during any period in which such member shall

be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(3) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(4) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(5) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

(c) Duties of the Board of Directors. It shall be the duty of the Board of Directors to:

(1) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

(2) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(3) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(4) mail written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(5) foreclose the Lien against any property for which assessments are not paid within ninety (90) days after due date or to bring an action at law against the Owner personally obligated to pay the same.

(6) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(7) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(8) cause the Common Properties to be maintained, operated, and available for use of the Members.

(9) appoint an Architectural Review Board; and

(10) hear appeals of decisions of the Architectural Review Board.

Article V

Property Rights in the Common Properties

Section 1. Members' Easements of Enjoyment. Subject to the provisions of Section 2, every Member shall have a right and easement of enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title to every Lot or Living Unit.

Section 2. Title to Common Properties. The Developer may retain the legal title to the Common Properties until such time as it has completed improvements thereon and until such time as, in the opinion of the Developer, the Association is able to maintain the same; but notwithstanding any provision herein, the Developer hereby covenants, for

itself, its heirs and assigns that it shall convey title to the Common Properties, not including improvements, increases, and extensions to the same to the Association, free and clear of all liens and encumbrances, not later than December 31, 1987. The Association shall assume all responsibilities for operation and maintenance at such time.

Section 3. Extent of Members' Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) the right of the Developer, and of the Association in accordance with its Articles and Bylaws, to improve the Common Properties and to borrow money for the purpose of improving the Common Properties and in aid thereof to mortgage said properties. In the event of a default upon any such mortgage the lender's rights hereunder shall be limited to a right, after taking possession of such properties, to charge fees as a condition to continued enjoyment by the members and, if necessary, to open the enjoyment of such properties to a wider public until the mortgage debt is satisfied, whereupon the possession of such properties shall be returned to the Association and all rights of the Members hereunder shall be fully restored; and

(b) the right of the Association to take such steps as are reasonably necessary to protect the above-described properties against foreclosure; and

(c) the right of the Association, as provided in its Articles and Bylaws, to suspend the enjoyment rights of any Member for any period during which any assessment remains unpaid, and for any period not to exceed sixty (60) days for any infraction of its published rules and regulations; and

(d) the right of the Association to charge reasonable fees for the use of the Common Properties; and

(e) the right of the Association, acting by and through its board of directors, to dedicate or transfer all or any part of the Common Properties to any public agency, authority, or utility for such purposes and subject to such conditions as may be determined by the board of directors, provided that no such dedication or transfer shall be effective unless the public agency, authority, or utility agrees to use the same for the same purposes for which they have been held by the Association.

Section 4. Delegation of Use. Every Member shall have the right to extend use of Common Properties to members of his or her family, invitees, lessees, or other guests.

Article VI

Covenant for Maintenance Assessments

Section 1. Creation of Lien and Personal Obligation of Assessments. The Developer, for each Lot and Living Unit owned by it within the Properties, hereby covenants and each Owner of any Lot or Living Unit by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, be deemed to covenant and agree to pay to the Association: (1) annual assessments or charges; (2) special assessments for capital improvements, such assessments to be fixed, established, and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each

such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

Section 2. Annual Assessments. The purpose of annual assessments shall be used exclusively to promote the health, safety, and welfare of the Members and in particular to improve, maintain, and operate the Common Properties, including funding of appropriate reserves for future repair and replacement.

Section 3. Maximum. Until the first day of the first fiscal year following commencement of assessments, the maximum Annual Assessment shall be five hundred dollars (\$500.00).

Section 4. Change in Maximum. From and after the first day of the first fiscal year immediately following the commencement of assessments, the Board of Directors may increase the maximum each year by the greater of (1) not more than five percent (5%) of the maximum for the current fiscal year, or (2) the percentage increase, if any, over the twelve-month period ending five months before the start of the fiscal year in the Consumer Price Index for all items, as published by the U.S. Department of Labor, for Anchorage, Alaska, or its equivalent. Such increase shall become effective the first day of the next fiscal year.

Section 5. Special Assessments for Capital Improvements. In addition to the annual assessments authorized by Section 2 hereof, the Association may levy in any assessment year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected

repair or replacement of the Common Properties, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Members at least thirty (30) days in advance. Said notice shall set forth the purpose of the meeting.

Section 6. Amendment to Maximum of Annual Assessments. The Association may change the maximum of the General Assessments fixed by Section 3 hereof prospectively for any such period provided that any such change shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all Members at least thirty (30) days in advance. Said notice shall set forth the purpose of the meeting. The limitations of Section 3 hereof shall not apply to any change in the maximum of assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation and under Article II, Section 4 hereof.

Section 7. Quorum for Any Action Authorized Under Sections 5 and 6. The quorum required for any action authorized by Sections 5 and 6 hereof shall be as follows:

At the first meeting called, as provided in Sections 5 and 6 hereof, the presence at the meeting of Members, or of proxies, entitled to cast sixty (60) percent of all the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice

requirement set forth in Sections 5 and 6, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 8. Date of Commencement of Annual Assessments: The annual assessments provided for herein shall commence on the date (which shall be the first day of a month) fixed by the Board of Directors of the Association to be the date of commencement.

The first annual assessments shall be made for the balance of the calendar year and shall become due and payable on the day fixed for commencement. The assessments for any year, after the first year, shall be made for the calendar year and shall become due and payable on the first day of March of said year.

The amount of the annual assessment which may be levied for the balance remaining in the first year of assessment shall be an amount which bears the same relationship to the annual assessment provided in Section 2 hereof as the remaining number of months in that year bear to twelve. The same reduction in the amount of the assessment shall apply to the first assessment levied against any property which is hereafter made subject to this Declaration.

The due date of any special assessment under Section 4 hereof shall be fixed in the resolution authorizing such assessment.

Section 9. Duties of the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Lot or Living Unit for each assessment period at least thirty (30) days in advance of such period

and shall, at all times, prepare and keep a roster of the properties and assessments applicable thereto, which shall be open to inspection by any Owner.

Written notice of assessment shall thereupon be sent to every Owner subject thereto.

Section 10. Effect of Non-Payment of Assessment. If the assessments are not paid on the date when due, then such assessment shall become delinquent and shall, together with such interest and costs of collection as hereinafter provided, become a continuing Lien on the property which shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the then Owner to pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them.

If the assessment is not paid within ninety (90) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of ten and one-half percent (10.5%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or may foreclose the Lien against the property, and there shall be added to the amount of such assessment a reasonable amount for costs and attorneys fees.

Section 11. Subordination of the Lien to Mortgages. The Lien of the assessments provided for herein shall be subordinate to the Lien of any mortgage or mortgages now or hereafter placed upon the properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of

foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

Section 12. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments, charge and lien created herein: (1) all properties to the extent of any easement or other interest therein dedicated and accepted by a local public authority and devoted to public use; and (2) all Common Properties.

Section 13. Equal Assessments. Every Lot and Living Unit subject to the assessments provided in this Article shall be subject to equal assessments. Lots containing more than one Living Unit (fully constructed and available for occupancy) shall be assessed in accordance with the number of Living Units located on the Lot.

Article VII

Protective Covenants Regarding Use of Property

Section 1. Land Use and Building Type. No Lot shall be used except for single-family residential and recreational purposes. No Lot shall be used as a dumping area for rubbish, trash, garbage, junk vehicles, equipment, or wreckage.

Section 2. Number of Dwellings. There may be only one residential dwelling per Lot.

Section 3. Building Location. No structure shall be located nearer than 25 feet to any side or rear Lot line or 75 feet from the ordinary high water line of Lake Clark.

Section 4. Sewage Disposal. All sewage disposal systems shall be designed, located and constructed in accordance with the requirements

and standards of the Department of Environmental Conservation and any other governmental authority that may have jurisdiction at the time of the installation of such system.

Section 5. Subdivision of Lots. No Lot may be subdivided.

Section 6. Temporary Structures. No temporary structure, boat, truck, trailer, camper or recreational vehicle of any kind may be used as a living area while located in the subdivision; however, trailers or temporary structures may be used during initial construction or the adding of improvements on any lot; provided that they shall be removed within a reasonable time upon completion of the construction.

Section 7. Quality and Maximum Height. Each single family residence shall be substantial and permanent. No resident shall have a maximum height more than 25 feet above ground level. Structures shall be in harmony as to external design and location with surrounding structures and topography.

Section 8. Time for Construction. Construction of any residence in the subdivision must be completed within 18 months after written plans are approved by the Architectural Review Board and excavation for construction is commenced.

Section 9. Noxious and Offensive Activities. No noxious or offensive activities shall be permitted on any lot, nor shall anything be done thereon which may be, or may become, a nuisance, or cause unreasonable embarrassment, disturbance or annoyance to other Owners in the enjoyment of their Lots. No repair or restoration or any Owner vehicle, boat, trailer, aircraft or other vehicles shall be permitted on any portion of any Lot except for emergency repairs thereto. No commercial activity of any kind shall be carried on or upon any Lot.

Section 10. Any generator used for electric power must be fitted with mufflers or otherwise silenced so as to create a minimum of noise. No generator shall be used to produce electric power, except in an emergency basis after electric powerlines are installed adjacent to any lot.

Section 11. No animals, livestock, or poultry shall be kept on any lot except that domestic dogs, cats, fish and birds inside bird cages may be kept as household pets provided that they are not kept, bred or raised thereon for commercial purposes or in unreasonable quantities. No vicious dog shall be kept on any lot.

Section 12. Use of Sand and Gravel. No sand, gravel and rock may be removed from any subdivision lot for commercial purposes; and there shall be no use of sand and gravel and rock from within any subdivision lot for construction purposes, other than construction within such lot for sewer or water lines, access roads or non-commercial residential buildings. This section may not be amended, modified, or revoked without the consent of the Nondalton Native Corporation.

Section 13. Utility Lines. Utility lines, including lines for electrical power and telephone service, shall be installed underground.

Article VIII

Architectural Review Board

Section 1. Review of Plans. No construction of any building, dock, or other structure shall be commenced, nor shall any structure be erected or maintained upon the property described in Exhibit A or on any property described in a Supplementary Declaration which specifically incorporates the provisions of this Article, nor shall any exterior addition to or change or alteration in any structure be made until

approval has been given by the Architectural Review Board of the plans, and specifications showing the nature, kind, shape, height, material, exterior color and surface, and location of such structure. Before granting such approval, the Architectural Review Board shall in its reasonable judgment determine if the plans and specifications conform to the protective covenants regarding use of property described in Article VII or protective covenants regarding use, if any, described in the Supplemental Declaration providing for review. In the event the Architectural Review Board fails to approve or disapprove any such plans and specifications within sixty (60) days after the same have been submitted to it, such plans and specifications shall be deemed approved.

Section 2. Appointment of Architectural Review Board. The Board of Directors of the Association shall appoint the Architectural Review Board and it shall consist of not less than three members. The members need not be Owners.

Section 3. Appeal of Decisions of the Architectural Review Board. Appeal of decisions of the Architectural Review Board may be made to the Board of Directors of the Association. Appeals may be taken by written notice to the Board, not more than thirty (30) days following the final decision of the Architectural Review Board. Within sixty (60) days following the receipt of such notice of appeal, the Board of Directors shall render a decision with respect to the appeal. Failure of the Board of Directors to render a decision within said sixty day period shall be deemed a decision in favor of the appellant.

Section 4. General Provisions Regarding Architectural Review Board. The Architectural Review Board may establish reasonable rules

in connection with its review of plans and specifications, including without limitation, the establishment of architectural standards and requirements regarding procedure and payment of costs of review. Unless such rules are complied with, such plans and specifications shall be deemed not submitted.

Article IX

General Provisions

Section 1. Amendment. Except for the provisions contained in Articles VII and VIII, this Declaration may be amended, modified, or revoked at any time prior to the conveyance to the Association of title to the Common Properties, as provided in Article V, Section 2. No amendment shall relieve the Developer of any contractual obligation undertaken to any Owner of a Lot or Living Unit.

Section 2. Quorum. Except as specifically provided herein, the Association may provide in its Articles or Bylaws for the quorum necessary at any meeting or for any action.

Section 3. Notice to Mortgagees. Upon written request for notice, the holder of any duly recorded mortgage against any lot shall be entitled to receive a copy of any and all notices permitted or required to be given to Members.

Any first Mortgagee of a Lot may file a copy of its mortgage with the Association. After the filing of the mortgage, the Association shall give such Mortgagee prompt notice of any default in the mortgagor's assessment obligations not cured within thirty (30) days of the date of default, and the Mortgagee, at its option may pay any delinquent charges, assessments, costs and expenses. Any first Mortgagee shall have the right to examine the books and records of the Association.

and require the submission of annual reports and other reasonably pertinent financial data to it.


Section 4. Notices. Any notice required to be sent to any Member, Owner or Mortgagee under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Member, Owner or Mortgagee on the records of the Association at the time of such mailing. Each Member, Owner or Mortgagee shall designate in writing its address for notices.


Section 5. Enforcement. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants; and failure of the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 6. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall not affect any other provisions, which shall remain in full force and effect.

DECLARANT

NONDALTON NATIVE CORPORATION

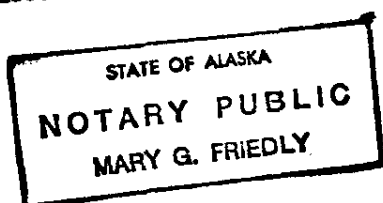
BY: 
F. Don Anderson
Executive Director

BY: 
Melvin Trefon
Land Manager

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 6 day of Feb, 1984, before me the undersigned notary public in and for the State of Alaska, personally appeared F. Don Anderson, known to me to be the Executive Director of Nondalton Native corporation, and he acknowledged to me that he has read the foregoing, knows the contents thereof, and signs the same on behalf of said corporation as its free and voluntary act and deed, and pursuant to authority of its Board of Directors.

WITNESS MY HAND and seal the day and year in this certificate first above written.

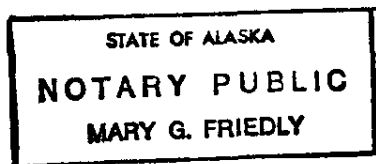


Mary G. Friedly
Notary Public in and for Alaska
My commission expires: March 20, 1985

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 6 day of Feb, 1984, before me the undersigned notary public in and for the State of Alaska, personally appeared Melvin Trefon, known to me to be the Land Manager of Nondalton Native Corporation, and he acknowledged to me that he has read the foregoing, knows the contents thereof, and signs the same on behalf of said corporation as its free and voluntary act and deed, and pursuant to authority of its Board of Directors.

WITNESS MY HAND and seal the day and year in this certificate first above written.

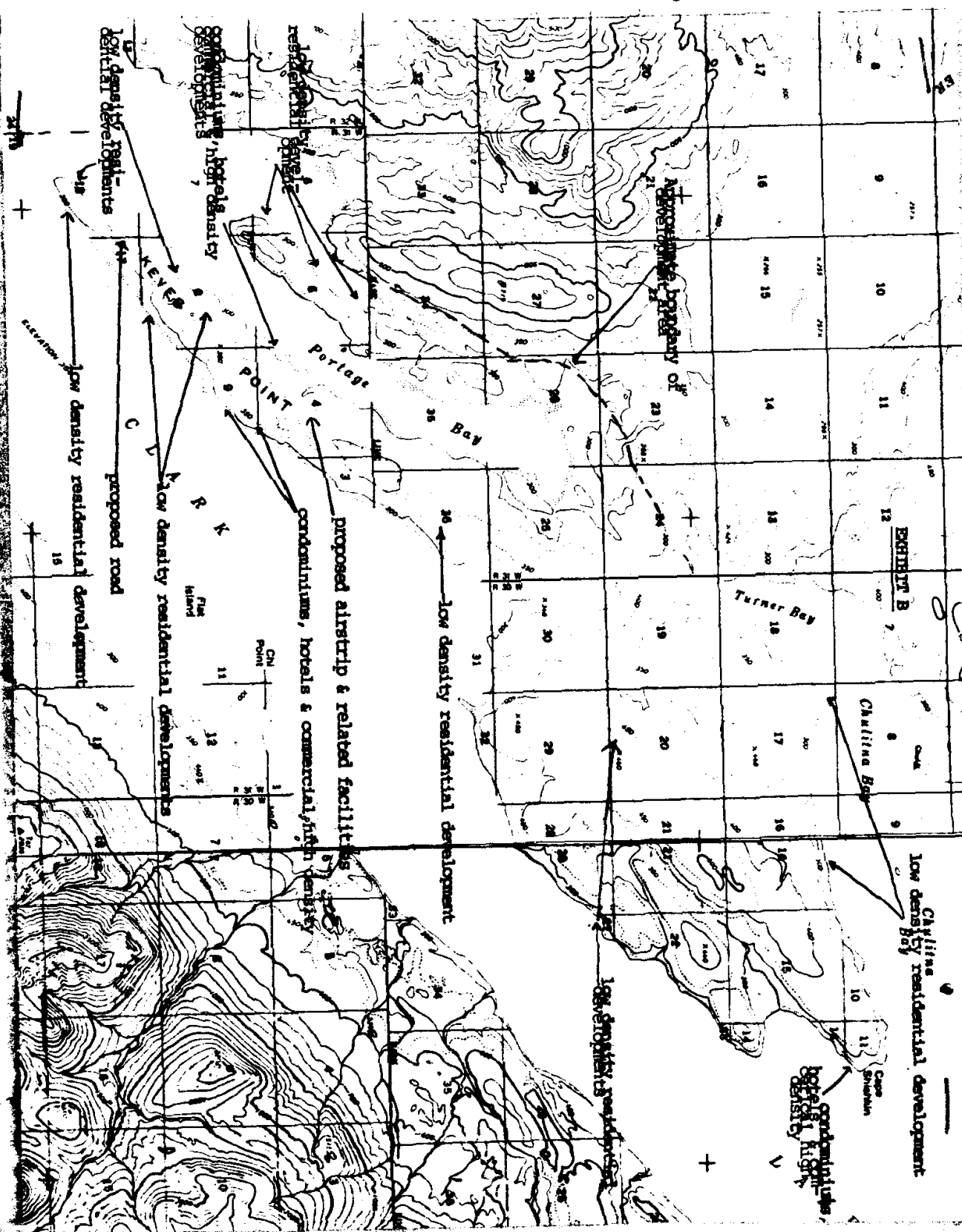


Mary G. Friedly
Notary Public in and for Alaska
My commission expires: March 20, 1985

BOOK 11 PAGE 429
Iliamna Recording District

EXHIBIT A

All lots contained in blocks 1-3, 6-13, and 15-17 of the Keyes Point Subdivision, according to Plat No. 84-2, records of the Iliamna Recording District, Third Judicial District, State of Alaska. This description does not include any parcels designated as "tracts" on the above described plat.



84-29
RECORDED - FILED 95
Thames REC. DIST.
DATE 2-7 1984
TIME 1:00 P.M.
1 main rule