

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made on the date hereinafter set forth by GENERAL HAWAIIAN DEVELOPMENT CORPORATION, a Hawaii corporation, hereinafter called “Declarant.”

WITNESSETH:

WHEREAS, Declarant is the owner of certain property referred to as Memory Lake Estates, situated in Matanuska-Susitna Borough, State of Alaska and more particularly described in Exhibit A attached hereto and hereby made a part of this declaration;

NOW THEREFORE, Declarant hereby declares that all land described as a portion of the property in Exhibit A know as Unit I of Memory Lake Estates as approved by the Planning Commission of Matanuska-Susitna Borough on June 12, 1972, and recorded in the Palmer Recording District shall be held, sold, conveyed, encumbered, leased, occupied and improved, subject to the Memory Lake Estates Restrictions, meaning the limitations, restrictions, covenants and conditions set forth in this declaration, all of which are established and declared and agreed to be for the purpose of enhancing and protecting the value, desirability and attractiveness of the land. These limitations, restrictions, covenants and conditions shall run with the land and shall be binding upon all persons having or who acquire any title, right or interest in and to the land, and shall inure to the benefit of the Declarant, the Association and each person who becomes an owner of the land.

ARTICLE I
DEFINITIONS

Section 1. “Association” shall mean and refer to Memory Lake Estates Community Association, its successors and assigns.

Section 2. “Leasehold interest” shall mean and refer to any interest in a lease for a term of more than ten (10) years.

Section 3. “Owner” shall mean and refer to the record owner, or purchasers under a land purchase contract, whether one or more persons or entities, of a fee simple title or to

leasehold interest in any lot in the Memory Lake Estates subdivision, but excluding those having such interest merely as security for the performance of an obligation.

Section 4. “Properties” shall mean and refer to all that certain property described herein on page 1, together with such other land as may be annexed.

Section 5. “Common Area” shall mean and refer to those areas of land described in Exhibit “B”, attached hereto, as Greenbelt Tract 1-A, 1-B, 1-C, and to additional land hereafter annexed and designated as common area.

Section 6. “Lot” shall mean one of the numbered parcels on the recorded plat of the property, and any lot hereafter annexed.

ARTICLE II PROPERTY RIGHTS

Section 1. Owner’s Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Common Area and facilities which shall be appurtenant to and shall pass with the title to every lot, subject to the following provisions:

(a) the right of the Association to charge reasonable assessments and other fees for the preservation, operation, maintenance and care of the Common Area.

(b) the right of the Association to suspend the voting rights and the rights to use of the Common Area and facilities by an owner for any period during which any assessment against his lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulation;

(c) the right of the Association to dedicate or transfer all or any part of the Common Area of which it becomes record owner, to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) in voting interest of the members agreeing to such dedication or transfer has been recorded.

Section 2. Delegation of Use. Any owner may delegate in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, his guests or contract purchasers who reside on the property.

ARTICLE III
PROPERTY SUBJECT TO THIS DECLARATION
AND ADDITIONS THERETO

Section 1. Existing Property. The real property which is, and shall be, held, transferred, sold, conveyed and occupied subject to this declaration is described in Page 1, all of which real property shall hereinafter be referred to as “Existing Property.”

Section 2. Additions to Existing Property. Additional lands may become subject to this declaration in the following manner:

(a) Addition of Adjoining Properties. The Declarant shall have the right, pursuant to the following provisions of this Article III, to bring within the scheme of this declaration and develop additional properties in future stages of the development without the assent of Class A members, provided that such additions shall be within the land adjoining or within reasonably close proximity to the existing properties.

The additions authorized under this and the succeeding subsection shall be made by filing of record a Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the scheme of the covenants and restrictions of this declaration to such property and the owners thereof. Upon the annexation becoming effective, the land covered by such annexation shall become a part of Memory Lake Estates.

Such supplementary declaration may contain such complementary additions and modifications of the covenants and restrictions contained in this declaration as may be necessary to reflect the different character, if any, of the added properties and as are not inconsistent with the scheme of this declaration. In no event, however, shall such supplementary declaration revoke, modify or add to the covenants established by this declaration within the existing property; provided that, lots within the properties (as are subject to this declaration or any supplementary declaration) shall have a right and easement of enjoyment in and to the common properties (as are subject to this declaration or any supplementary declaration).

ARTICLE IV
MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot.

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

Class A. Class A members shall be all owners with the exception of the declarant and shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any lot.

Class B. The Class B members shall be the declarant and shall be entitled to three (3) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either 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, 1980.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Transfer of Title by Declarant. The Declarant hereby covenants to transfer, sell and convey all its right, title and interest in and to the Common Areas to the Association no later than the time when Declarant's Class B membership ceases pursuant to Article IV, Section 2 above. Such transfer shall be without charge to the Association and is to be treated as a contribution to capital of the Association in lieu of the payment of dues and assessments.

Section 2. Creation of the Lien and Personal Obligation of Assessments. Each purchaser of a lot from Declarant by acceptance of a land purchase contract or a deed therefor, whether or not it shall be so expressed in such contract or deed, is deemed to covenant and agree to pay to the Association; (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided.

The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the lot and shall be a continuing lien upon the lot against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the purchaser who was the Owner of such lot at the time when the assessment fell due. The personal obligation for

delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 3. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the properties and for the improvement and maintenance of the Common Area.

The proceeds received from said charges or assessments shall be applied to the payment of any, or all of the following:

(a) Expenses incident to the enforcement of the restrictions, conditions, covenants, charges and assessments contained in this declaration and the collection of charges or assessments provided for in this declaration.

(b) Real and personal property taxes and assessments levied by any branch of government or the Association on the Common Area.

(c) Subject to the By-Laws of the Memory Lake Estates Community Association, the following:

(1) to acquire, build, operate and maintain parks, lakes, dams, recreation areas, skating rinks, playgrounds, swimming pools, golf course, community halls, club houses and any buildings, structures and personal property incident thereto; and to provide community electrical and telephone facilities;

(2) to provide community policy and fire protection;

(3) to provide garbage and trash collection;

(4) to provide road maintenance; and

(5) any other purpose voted by the Association.

Section 4. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first lot to a Class A member, the maximum annual assessment shall be Sixty dollars (60) per lot.

(a) From and after January 1 of the year immediately following the conveyance of the first lot to a Class A member the maximum annual assessment may be increased each year not more than 3% above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first lot to a Class A member, the maximum annual assessment may be increased above 3% by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a

meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 5. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, 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.

Section 6. Notice and Quorum for any Action Authorized under Section 4 and 5. Written notice of any meeting called for the purpose of taking any action authorized under Section 4 or 5 shall be sent to all members not less than 30 days or more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 7. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all the lots and may be collected on a monthly basis.

Section 8. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence on the first day of the month following the execution of the purchase contract as to each lot. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified lot have been paid.

Section 9. Effect of Nonpayment of Assessments: Remedies of the Association.

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten percent (10%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his lot.

Section 10. Subordination of the Lien to Deeds of Trust. The lien of the assessments provided for herein shall be subordinate to the lien of any deed of trust beneficiary on said property if such is recorded of a prior date. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to trust deed foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE VI
RESTRICTIVE COVENANTS

All lots within Memory Lake Estates, except as otherwise specifically provided, shall be subject to the following limitations and restrictions:

(a) No building, fence, wall or other structure may be constructed, erected or maintained on any lot or area, nor shall any addition thereto or change or alteration therein be made until the complete plans and specifications therefore showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board.

(b) Each building or other structure shall be constructed, erected and maintained in strict accordance with the approved plans and specifications.

(c) No building shall be located on any lot nearer than 20 feet to the street lot line, nearer than 30 feet to the rear lot line or nearer than 10 feet to side lot lines unless approved by the Committee.

(d) No building or structure shall be more than 25 feet in height as measured

from the highest natural grade at any point on the perimeter of the foundation of the structure to the highest point of the roof.

The height restrictions may, however, be increased or decreased by the Board or Committee in the event Board or Committee determines that such restrictions work an undue hardship; or would permit erection of a structure which, in the sole judgment of the Board or Committee, is desirable or undesirable.

(e) The Owner of each structure constructed on the lots shall maintain the structure in good repair at all times and shall cause all external surfaces that are stained or painted to be restained or repainted at sufficient intervals as to prevent the structure from detracting from the beauty of Memory Lake Estates.

(f) No land within Memory Lake Estates shall be used or maintained as a dumping found for rubbish, trash, garbage or other waste except in those areas specifically designated or set aside by Declarant for such purpose. All equipment for the storage or disposal for such material shall be kept in a clean and sanitary condition and container storage facilities not enclosed shall be constructed below ground level so as to allow for full recession of container with the ground.

(g) No temporary buildings, structures, outhouses, sheds, tents or trailers of any kind shall be erected, altered, placed or permitted to remain on any land in Memory Lake Estate, except as expressly provided herein or with the express written permission of the Board or Committee. Temporary structures or trailers may be erected or placed on any land during a reasonable period of construction for use as a construction office and supply shelter, but in no event as a residence. The temporary construction structures or trailers shall remain upon the land only during the period of construction of permanent improvements thereon and must be removed within thirty (30) days after completion of such construction. Any surplus material from construction must be removed within that 30 days.

(h) No noxious or offensive activity shall be carried on upon any land in Memory Lake Estates, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

(i) No signs, placards, or notices shall be erected, placed, maintained or permitted to remain on any part of any land in Memory Lake Estates, except such commercial signs as have been approved by the Board or Committee for identification of residences, streets or

areas, places of business, or other commercial uses.

(j) No animals, livestock or poultry of any kind shall be raised, bred or kept on any land in the subdivision except by special permit issued by the Board of Directors. However, a reasonable number of dogs, cats or other common household pets may be kept without the necessity of obtaining such permit.

ARTICLE VII COMMON AREAS

Title in the Common Areas shall remain vested in General Hawaiian Development Corporation until such time as it shall transfer title to the Association pursuant to Article V, Section 1 above.

ARTICLE VIII GENERAL PROVISIONS

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

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

Section 3. Taxes. To the extent not assessed to or paid by the Owners, the Association shall pay all real property taxes and assessments levied upon any portion of the Common Areas.

Section 4. Amendment. In addition to the rights reserved to the Declarant to modify or supplement the Memory Lake Estates Restrictions with respect to land annexed to Memory Lake Estates, the Memory Lake Estates Restrictions may, at any time, be amended or repealed and be therefore binding upon all members including those voting against such amendment or repeal upon the happening of all the following events:

(a) The vote of Owners having not less than three-fourths (3/4ths) in voting interest of the members then within Memory Lake Estates approving the proposed amendment or

amendments or the repeal of Memory Lake Estates Restrictions at a meeting of the Association duly held. The notice of the meeting shall state that the purpose of the meeting is to consider the amendment or repeal of the Memory Lake Estates Restrictions, giving the substance of any proposed amendments or indicating the provisions to be repealed, as the case may be; and

(b) the recordation of a certificate of the Secretary or an Assistant Secretary of the Association setting forth in full the amendment or amendments to the Memory Lake Estates Restrictions so approved, including any portion or portions thereof repealed, and certifying that said amendment or amendments have been approved by vote of the Owners pursuant to Section 4(a) of this Article VIII.

Section 5. The common Area as defined in Article I and such portions of Memory Lake Estates as may be conveyed or dedicated to and accepted by a public utility, State of Alaska, the Borough of Matanuska-Susitna shall be exempt from assessments.

Section 6. All the limitations, restrictions, covenants and conditions of Memory Lake Estates Restrictions are to run with the land and shall be binding on all parties and persons claiming under them for a 55 year period commencing August 5, 1972, and ending August 4, 2027, at which time the same shall be automatically extended for successive periods of 5 years, unless the record Owners of lots then within Memory Lake Estates having not less than three-fourths (3/4ths) of the total votes record an instrument terminating the Memory Lake Estates Restrictions within one (1) year prior to the commencement of any such period. Any such termination shall take effect upon expiration of the period during which it is given.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 18th day of August, 1972.

GENERAL HAWAIIAN DEVELOPMENT CORP.
Signatures on recorded document.

EXHIBIT A

PARCEL NO. 1: Government Lot 1 of Section 23, Township 18 North, Range 1 West, Seward Meridian.

PARCEL NO. 2: The North one-half of the Southeast one-quarter (N1/2 SE1/4) and the East one-half of the Southwest one-quarter (E1/2 SW1/4) of Section 23, Township 18 North, Range 1 West, Seward Meridian.

PARCEL NO. 3: The Southeast one-quarter of the Southeast one-quarter (SE1/4 SE1/4) of Section 23, and the Southeast one-quarter of the Northeast one-quarter (SE1/4 NE1/4) and North one-half of the Northeast one-quarter (N1/2 NE1/4) of Section 26, in Township 18 North, Range 1 West, Seward Meridian.

PARCEL NO. 4: The Northwest one-quarter of the Southwest one-quarter (NW1/4 SW1/4) of Section 25, and the Northeast one-quarter of Southwest one-quarter (NE1/4 SW1/4) and North one-half of Southeast one-quarter (N1/2 SE1/4) of Section 26, in Township 18 North, Range 1 West, Seward Meridian.

PARCEL NO. 5: Government Lot 1; The South one-half of Northwest one-quarter (S1/2 NW1/4) and the Southwest one-quarter of the Northeast one-quarter (SW1/4 NE1/4) of Section 26, Township 18 North, Range 1 West, Seward Meridian.

PARCEL NO. 6: The South one-half of the South one-half (S1/2 S1/2) of Section 26, Township 18 North, Range 1 West, Seward Meridian, Palmer Recording District, EXCEPT that portion described as follows:

Beginning at the Southeast corner of Section 26; thence North 1280 feet more or less to the South boundary of Wasilla-Fishhook Road; thence East along said South line 1180 feet more or less to the point of beginning.

PARCEL NO. 7: The Northwest one-quarter of the Southwest one-quarter (NW1/4 SW1/4) of Section 26; and the Northeast one-quarter of the Southeast one-quarter (NE1/4 SE1/4); and the South one-half of Southeast one-quarter (S1/2 SE1/4) of Section 27, Township 18 North, Range 1 West, Seward Meridian.

EXCEPTING and RESERVING unto Granter, one-half (1/2) of all the oil, gas and associated minerals contained therein, together with rights of ingress and egress for development and extraction of the same.

EXCEPTING and RESERVING the life estate interest in and to a portion of Parcel 5, dated September 8, 1964, and executed by Home Health and Educational Association, Grantor, to Gladys Verna Priddy, formerly Gladys Verna Collins, Grantee, and recorded September 10, 1964, in Book 54 at page 139 in the Palmer Recording District.

CORPORATE ACKNOWLEDGMENT

STATE OF HAWAII)
) ss.
CITY AND COUNTY OF HONOLULU)

On this 18th day of August, 1972, before me appeared Frank S. Fishel and John W. Reilly, to me personally known, who, being by me duly sworn, did say that they are the Vice President and Secretary respectively of GENERAL HAWAIIAN DEVELOPMENT CORPORATION, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and the said Vice President and Secretary acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Helen Jackson
Notary Public, First Judicial Circuit,
State of Hawaii

My Commission Expires: 4/23/76

(Notary seal on recorded document.)

RECORDED AUGUST 24, 1972